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The Shape of Things

BARELY TEN DAYS AFTER EDEN HAD BEEN forced out of the British Cabinet for insisting that Mussolini should submit evidence of his good faith before opening negotiations with Britain, the Duce established the validity of Eden's position by backing out of his compromise offer on Spain. All the powers, including Italy, had agreed that the French frontier would be closed and aid to both sides in the Spanish conflict terminated when a substantial withdrawal of foreign (Italian) "volunteers" had been completed. Italy now demands that the frontier be closed as soon as the international commission which is to determine the number of volunteers reaches Spain. Mussolini knows that France cannot assent to an arrangement that would shut off aid from the Loyalists while Italy continues to support Franco. His demand can only be construed as an effort to line up Britain with the fascist powers in support of the Spanish rebels. In this maneuver Mussolini is doubtless acting on the belief that Chamberlain has burned his bridges and dare not retreat. Meanwhile fascist men and arms continue to pour into Spain in tremendous quantities—and in new qualities. The Germans are now sending their best equipment. In February a number of Desau machines appeared. The Desau is a large, armored fighting plane fitted with seven machine-guns and one cannon. At the same time, many Junker 52's, Heinckel 3's, and fast Messerschmitts continue to fly over Switzerland and France into Franco territory. Mussolini, in February, furnished the rebels with new squadrons of Fiats, Isota Fraschinis, Savoias, and Capronis, which were responsible for the recapture of Teruel. Nevertheless Barcelona is still confident of final victory. Teruel cost Franco far more than it did the Loyalists; the internal political situation has never been so good, what with the UGT and CNT cooperating more intimately every day; the output of domestic arms plants has increased impressively; and the government navy has scored a notable victory by sinking one of the three cruisers with which Franco hoped to enforce his blockade.

A LOT OF VERY DIRTY TVA LINEN IS BEING washed in public. If the two-to-one split of the directors was ever merely a family quarrel, it is fast assuming the proportions of a national scandal. Now that Chairman Morgan has openly made charges of conspiracy, deceit,

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and intrigue against David Lilienthal and H. A. Morgan, nothing short of a full and fair inquiry will allay public suspicion about the inner administration of the TVA. The wide press support that the demand for this inquiry has received comes, we are convinced, from sources hostile to the government power program as a whole. Nevertheless, the inquiry must be held. The most alarming charges are those that concern the claims of Senator Berry to be compensated for his inundated marble lands in Tennessee. Those involving evasion and deceit with respect to accounting methods and public reports are also grave. If they are true, the officials in charge must be held to public responsibility; if they are unsupported, then Chairman Morgan has much to answer for in projecting a private difference of opinion into the public arena, and thereby helping to sabotage a power program from which he dissents. We have never agreed with Mr. Morgan's minority views on what should be the relations of the TVA with the utility companies. But the time has arrived to lay bare the whole course of events within the TVA since its inception. Friends of the power program cannot but believe that its procedures will bear public scrutiny. The inquiry should be conducted by a Congressional committee rather than by another agency like the Federal Trade Commission. But it would be tragic if it were placed in the hands of Senator Copeland and his Commerce Committee. Copeland's handling of maritime matters has been vicious, and in view of his bitter hostility to the government's power program and the New Deal as a whole, he should have no hand in the TVA investigation.

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THE TVA DISCUSSION HAS RAISED TWO major issues that reach beyond the personalities involved. One concerns the proper role of dissent in an administrative agency. The second concerns the future program of the TVA with respect to the Southern utilities. Every political body needs channels for the expression of dissenting thought. In America that is provided for in Congress by open debate, in the political system by multiple parties, in the Supreme Court and the quasi-judicial administrative agencies by regularized dissenting opinions. Mr. Morgan seems to have been motivated for the past few years by a fear that the nation was not aware of the real issues behind the decisions of the TVA directors, and by a feeling that there was no mechanism by which he could make his views public except the press. We can well understand the attitude of his two colleagues, a majority on the board, who assert that he has been sniping at them and that he has been a poor sport. But we suggest that provisions be made in the future for more frequent reports to Congress in which dissenting voices can express their opinions and gain a public hearing. The second issue seems to be much closer to solution now that the TVA has offered to negotiate with the Southern utilities for the purchase of their properties. The settlement of this issue will do much to free the log jam of utility investment everywhere in the country; it will also give the Southern cities a chance to develop municipal power programs. In the negotiations, however, it should be clear that the municipalities and not the federal government are buying out the utilities; and that the determination of price should be on the basis of physical value and not some intangible and inflated "going value." It is on this question of a power program, and not on mere personalities, that the real cleavage within the TVA is based.

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LAST WEEK THE COUNTRY PAUSED TO TAKE stock of the five years of Mr. Roosevelt's regime. But, just as significantly, Bernard Baruch's testimony before the Senate Unemployment Committee might have furnished occasion for estimating the effect of five years of Bernard Baruch. We are always suspicious when someone is called an "elder statesman," whether in Japan or America. We smell a build-up to give extra weight to conservative economic views. Mr. Baruch has been the ambassador sent by business into the inner councils of the President. His influence has almost always been used to temper the cutting edge of Administration policies. It is natural that with the deepening of the tension between business and the Administration he should step forward and appeal to the public against the Administration. This he has now done in his testimony, which was full of platitudes about revolution and the pace of social change, and might well have graced Walter Lippmann's columns. What it adds up to, in practical terms, is that the Administration must veer to the right and make "ungrudging" concessions on taxes. Such is the prestige of an elder statesman that Mr. Baruch's speech is confidently counted on in reactionary quarters to swing the Senate balance against the new tax bill, which contains reasonable concessions to business. The tories are never so effective as when they can use supposed liberals to speak for them.

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PRESIDENT ROOSEVELT'S CLAIM TO THE islands of Canton and Enderbury in the mid-Pacific may mark the beginning of a new era of international rivalry in this region. For centuries the multitudinous small islands which dot the southern Pacific were not considered important enough to warrant colonization. Except for Samoa, the possession of which was disputed at the end of the nineteenth century by the United States, Great Britain, and Germany, and the New Hebrides, claimed by Britain and France, the various islands were acquired by their present owners with little international friction. But the rise of commercial air lines spanning the Pacific, coupled with the growing suspicion of Japan, has lent a new value to the most inconsequential of these dots. At a time when the great powers are openly preparing for a war in the Pacific, increasing competition may be expected for even the smaller islands on the supposition that they may prove strategically useful. In taking the lead in this scramble, on the doubtful ground that Canton and Enderbury islands were first sighted by American whalers, the United States has risked far more than it can hope to gain.

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NATIONAL SHARE-CROPPERS' WEEK IS BEING observed this week, and the event serves to remind us that for all its efforts in behalf of the farmer the Administration has made no progress in alleviating the terrible conditions which afflict these marginal thousands in the great valley of the Mississippi. The Workers' Defense League, which is sponsoring Share-Croppers' Week, states that a recent survey shows that evictions last year affected 500,000 families and that 85 per cent of those evicted have been unable to find other employment or crops for this year. Meanwhile persecution of the Southern Tenant Farmers' Union continues, and the cost of defending its members in court actions is increasing. The remarkable government film, "The River," now currently on view at various theaters, shows the genesis and development of the conditions that have produced the share-cropper problem. Such "propaganda" may eventually force the nation to solve it. But in the meantime the share-croppers, with a cash income of $200 a year and often much less, continue to pile up a national liability in malnutrition and poverty, while the union must somehow meet the bills incurred in its courageous fight for ordinary civil liberties in the planter states.

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PRESUMABLY SEEKING TO HEAD OFF, OR buy off, opposition from the Catholic church, the President's Advisory Committee on Education has committed a perilous blunder. It has marred a notable report by recommending allocation of federal funds to parochial and other non-public schools. Nevertheless the report is an impressive summons for Congressional action to save public education. Some months ago the National Education Association estimated that nearly 3,000,000 children of school age are deprived of any educational facilities. It was shown that in twelve states teachers' salaries average less than $750 a year. The tenor of these findings is dismally confirmed by the committee's report, which calls for a six-year program of federal aid. Urging an appropriation of $855,000,000 spread over that period, the group acknowledges that this sum is "undoubtedly small when compared with real need." That the appropriation is inadequate should not be forgotten, but it is at least a hopeful springboard. As for the traditional cry that such appropriations mean "federal domination" and the end of democracy in our schools, the answer lies in vigilance over the execution of the program. Democracy will not be saved by the slow death of free education—or by the resurrection of any identity between church and state.

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STANLEY M. ISAACS, BOROUGH PRESIDENT OF Manhattan, is a loyal Republican; Simon W. Gerson was a reporter on the Communist *Daily Worker*. In naming Gerson to his staff, Isaacs paid generous tribute to an individual's ability. His action has been denounced as reckless defiance of law—which it is not—and as sinister capitulation to Moscow—which should tax even the most reactionary imagination. With the Communist Party recognized as legal, it is plain that Gerson's technical eligibility is beyond dispute. What remains important is the pattern of attack which has been fashioned by the American Legion, the Catholic church, and all the professional foes of the New Deal—local and national. It occurs in a city where liberal and labor forces have registered momentous election victories. It is fostered by agencies which have been traditionally indiscriminate in their assaults upon minority opinion. If reaction forces the ousting of Gerson, the crusade will widen to include other progressives in office. In that light Mr. Isaacs's refusal to yield is as vital as it is impressive. When a Republican defends a Communist appointee, at the risk of his own political fortunes, it is not merely news. To the Scripps-Howard *World Telegram* it is Revolution. To us it is a dramatic assertion of faith in the essence of democratic procedure. It is a dignified rebuke to those who hate Mr. Gerson less than they despise democracy. We hope that Mr. Isaacs will sit tight until his critics grow weary of their own voices.

Russian Tragedy, Act III

THE trial of Bukharin and his fellow-oppositionists has broken about the ears of the world like the detonation of a bomb. One can hear the cracking of liberal hopes; of the dream of anti-fascist unity; of a whole system of revolutionary philosophy. The reaction in this country has been much more severe than in the case of the other public trials or of the purge in general. We are too far away from the center of infection to have become immunized, and the horror deepens as the process of extermination goes on. The probable innocence or guilt of the defendants still absorbs the largest share of interest, but we detect in published and private discussion a shift of attention to the wider implications of the trial—its relation to the European crisis, its effect on revolutionary theory and practice. One of the unfortunate by-products of the case has been the encouragement of isolationist sentiment. It has played directly into the hands of those who are looking for arguments to prove the futility of expecting united resistance to war and fascist ambitions. This too is natural; and it reinforces our conviction that the international effect of the trial may be even more serious and far-reaching than the objective facts warrant.

There is acute danger of a split between Socialists and Communists in France, a split that would doom the united front and lead to ends one scarcely dares to contemplate. Hitler, today, is discussing the fate of Europe with Nevile Henderson; can anyone doubt that a factor in his calculations is the drama under way in the Hall of Nobles in Moscow, and the probable response to it of the Western world? In Czechoslovakia, in Loyalist Spain, in China, wherever democracy is threatened, the significance of the trial will be anxiously weighed. In varying degrees every one of these nations bases its day-by-day foreign policy on its estimate of Russian stability

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and integrity. The Moscow trial is a world issue as well as the culmination of an inner struggle. Under the pressure of that struggle Stalin has risked losing the confidence of those nations and groups on which the security of the world and of Russia itself must depend.

It is important to know why this trial should mark a turning point. The reasons are not all rooted in logic. The crimes charged against the men now under indictment are not different in kind from those charged in the earlier trials. The list of defendants may include more names favorably known to more people. (When one looks at Bukharin's picture and reads his words, the whole past of the revolution clamors for defense and vindication.) But essentially the story is the same. If it is difficult to believe charges which range from a conspiracy to dismember the Soviet Union to a successful plot to cause Maxim Gorki to catch a cold, we find it equally difficult to believe that the Soviet government invented these nightmare crimes in order, as Trotsky suggests, to restore "shaken world confidence in Stalin's 'justice' "! One's mind moves, as in the previous trials, from the inherent improbability of particular offenses attributed to particular men and the psychological obscurities of the confessions, to the undoubted fact that terror and plotting and espionage have become a commonplace in the Socialist fatherland. And in the end one abandons the attempt to render final judgment when the materials for judging are so obviously out of reach. The tragic spectacle in Moscow leaves only one thing certain—a system of law that allows the guilt of men accused of grave offenses to remain forever in doubt is a travesty of justice.

These same elements of uncertainty and horror were present in the two earlier trials. The reasons for the more ominous aspect of the current one are to be sought elsewhere. The purge has had a cumulative effect. The new trial tragically confirms the evidence of mortal conflict among the most responsible leaders of the revolution and of the government. And it goes far beyond the other trials in the scope of its charges. It indicts the whole past of the revolution itself. It proves that disaffection has spread through all the important branches of the state apparatus. It indicates a plot in the army of sufficient dimensions to warrant plans for a military coup led by the most important generals. Accept the official position, assume the guilt of the accused, and you are forced to a conviction that the government of the Soviet Union has, from the start of the revolution, been riddled with conspiracy. Assume the innocence of the defendants, and the government itself is convicted of an even more monstrous crime. Assume them neither all innocent nor all guilty of all the specific charges—as reason tempts one to assume—and one is still forced to acknowledge a situation in which opposition has been met by repression, repression countered by conspiracy, and conspiracy fought by terror to the final demoralization of the whole government apparatus.

It is for these reasons that the "explanations" of Communists and of Trotskyites alike explain so little. They assume more knowledge than is available and ignore the elements which tend to blur the neat partisan outlines of their pictures. Even a partisan must occasionally ask himself whether the tragedy in Moscow can really be laid to individual perfidy, or whether the issue is not the result of a historic process that, with impersonal logic, is slowly strangling the very forces that set it in motion. The Soviet government was born of inevitable violence and was maintained by means of terror and military force against incredible odds. Would it have survived civil war and foreign invasion and the struggle to achieve a working economic order if it had refused to use force against its enemies? We are certain that it would not. But dictatorship—intrenched behind a powerful army, adept in the use of spying and police terror, conditioned to fear opposition—tended to solidify, not to fade. Repressive measures were easy to justify in the sacred name of the revolution itself. Repression came to be identified with justice; opposition with treason. And presently treason became the only possible expression of opposition, and conspiracy took the place of open political action. This much is evident whatever the truth of specific charges against specific men.

We are not adopting a cut-and-dried doctrine of inevitability. Many shifts of circumstance might have altered the dismal course of recent Russian history. A leader like Lenin might have encouraged the growth of proletarian democracy from the roots of party democracy. Even under Stalin a different course might have been laid had not the rise of Hitler created in the Soviet Union a psychological state of war. This in its turn produced, first, a desperate pressure to speed up industrialization, second, a vast arms program, and, third, a universal atmosphere of suspicion and overcharged patriotism. Since this development coincided with, and helped to aggravate, profound political differences already existing and denied any open channels of expression, the result was certain.

Out of the anxiety and shock of the present trial will come, we believe, a new determination on the part of political thinkers to examine the premises of revolutionary doctrine. The Russian dictatorship has challenged the whole theory of dictatorship and demanded an honest revaluation of its own history and achievement.

What remains? One hears no rumors of internal unrest in the Soviet Union, despite the political cannibalism of its ruling group. The solid material achievements of the revolution still stand. So do the need and desire of the Soviet government for peace, and its opposition to fascist aggression, East and West. But the effect of the trial is not to be measured in such tangible terms. It will be measured in the degree to which faith is reluctantly surrendered by left groups everywhere, in the confusion of contemporary revolutionary thinking. It will depend upon the estimate of Russia's real strength arrived at in the foreign offices of other states. It will depend upon the future policies of the Soviet government itself. Not the next few days in Moscow, but the coming weeks in European diplomacy and the next decade in the development of radical thought and action, will determine the real significance of the Soviet trial.

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Reply to Mr. Slichter

A SIGNIFICANT article on the recession by Sumner H. Slichter, one of America's outstanding economists, appears on another page of this issue. Mr. Slichter's analysis is particularly timely in view of the current discussion of the revised tax bill in Congress. But the implications of his article go much deeper than the consideration of any particular bill or policy. He argues, very ably, business's case against the Administration, namely, that certain New Deal measures discourage business enterprises from taking the risks which are essential to economic expansion under capitalism.

After very skilfully presenting the basic dilemma which the New Deal faces in its efforts to cope with the recession, Mr. Slichter sets forth certain specific obstacles that he believes must be removed before business can regain confidence. He places special emphasis on the undistributed-profits tax and the desirability of reducing income taxes in the higher brackets. A realistic analysis of the fundamental forces operating in our profit economy indicates, however, that he has greatly overemphasized the importance of the tax issue and neglected certain compensatory factors of utmost significance.

It is true that the undistributed-profits tax has imposed a genuine measure of hardship on small corporations that were in debt or seeking capital for expansion. This will not be true, however, of the revised tax bill now before Congress, and the former tax did not injure the large corporations which hold the key to expansion or contraction in the capital-goods field. Moreover, the experience of many small companies showed that the profits tax was no bar to expansion. It is a matter of record that the first twenty months in which the tax was in force was a period of fairly rapid industrial expansion. As Mr. Slichter freely admits, repeal of the tax would create no investment opportunities. It is a question how far it would even contribute to the restoration of confidence.

Even more dubious is the contention that a reduction of the taxes on higher incomes would encourage an expansion of "tame wild-cat" investment. Granting that in some instances individuals may hesitate to enter on a speculation knowing that half of the profits will go to the government, we doubt whether a 10 per cent reduction in the income tax on higher brackets would substantially alter the situation. Many of the men to whom Mr. Slichter refers are speculators by temperament and would speculate if they only received 10 per cent of the profits. As for the others, the increased lack of concern with which they view losses that will reduce their income taxes offsets, to a large extent, the diminished urge for profits. The elimination of tax-free securities, though most desirable for other reasons, would not affect the situation materially. It would force local governments to pay a higher rate of interest on their securities, and thus possibly discourage borrowing to a slight extent, but it would not otherwise affect the volume of capital flowing into this type of security.

None of these measures, however, come to grips with the basic problems involved in the present crisis. Although Mr. Slichter does not once use the term "purchasing power," this problem cannot thus easily be dodged in any discussion of the current economic situation. Business men will take risks only if they believe that they can dispose of their product. This assumes that purchasing power is growing at least as rapidly as production. From 1933 until the middle of 1937 this undoubtedly occurred. But in 1937 three important developments checked this tendency: (1) business profits rose much more rapidly than wages or farm income, thus concentrating purchasing power in the hands of the relatively well-to-do who did not need it for consumption purposes; (2) several large corporations, notably in steel and automobiles, increased prices to an extent not justified by either general conditions or wage costs within the industries; (3) the government suddenly ceased its emergency expenditures at a time when the incidence of social-security taxation was just beginning to be felt. On top of this, the "sterilization" of gold and the reduction of excess reserves had a deflationary effect.

Repeal of the profits tax and a reduction of the levy on high incomes would only accentuate this deficiency of purchasing power. For it would once more permit corporations to accumulate large cash reserves and throw the burden of taxation even more completely on the low-income groups which otherwise would spend their money for consumers' goods.

Given adequate buying power, no end of opportunities for productive investment exist in this country. Meeting the need for housing alone would tax our economic system for several years to come. Rural electrification presents another challenge. Why has business failed to grasp this opportunity? It is not entirely or even primarily due to "lack of confidence." There was no lack of confidence a year ago. On the contrary, the business community was convinced that the country was entering a period of inflationary expansion. Yet private enterprise built only about one-third of the number of houses it was accustomed to build in the twenties and an even smaller proportion of the number it is equipped to construct. It may as well be frankly confessed that business leadership is bankrupt, partly because of lack of initiative and courage and partly because it has failed to understand the basic direction of present-day economic development. Confidence may be the key to expansion under laissez faire capitalism. But such a system no longer exists. It was undermined years ago by the methods of big business. The New Deal has only speeded its departure.

Under the circumstances it is only folly to sit around waiting for a return of business initiative to restore prosperity. The events of the past nine years have shown that if expansion is to occur, the government must lead the way. In the article to which we have been referring, it is stated that one cannot plan "chance-taking by many thousands of business men scattered from coast to coast." This is true, but to us it seems irrelevant. One cannot "plan" capitalism; but it is essential to plan *governmental*

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activities where private enterprise has failed. Under Administration leadership this country has reached a midway point between laissez faire capitalism and a planned economy. The position is highly vulnerable and probably cannot be maintained, but it is too late for retreat. Only a vigorous offensive will save the economic gains thus far obtained by the New Deal.

The Court Writes a Labor Code

IT IS a chastened Supreme Court that has been handing down decisions in Washington for the past year—a court on which seven out of nine of the members are mildly liberal or better. The only ones left today of the old tory bloc that voted so solidly and consistently for reaction are Justice McReynolds and Justice Butler. The other seven fall into three groups: a center group consisting of Chief Justice Hughes and Justice Roberts, his *fidus Achates,* with which the newly appointed Justice Reed will in all probability ally himself; a left-of-center group consisting of Justices Brandeis, Stone, and Cardozo; and a fourth group consisting of Justice Black all by himself on the left. The center group, it will be apparent, still holds the balance of power, provided it can definitely enrol Justice Reed under its banner. Thus far it has been throwing its weight in the liberal direction. And the principal product of its new enlightenment has been the hammering out of a new constitutional code for labor. The three most recent labor decisions of the court, delivered last week, form an important part of this code.

The "new party line" of the court on labor came a little less than a year ago, at the end of March, with the opinion holding the Railway Labor Act constitutional and, far more sensational, the minimum-wage reversal. In the latter case the court, through Justice Roberts's change of vote, not only transformed a liberal minority of four on the New York minimum-wage law (the Tipaldo case) into a liberal majority of five on the Washington minimum-wage law, but even overruled the classic decision in the Adkins case of 1923. Given this enormously important reversal, it was no wonder that Justice Sutherland's dissenting opinion was unusually bitter. He saw that a breach had been made in the solid phalanx of court decisions which had hemmed in labor activity and social legislation enacted by the states.

The breach was very much widened by the great decisions in the Wagner Labor Act cases last April. They proved that the minimum-wage reversal was more than an accident or a stray impulse of social benevolence on the part of the judges. Actually they were a result of the scissors hold that Mr. Roosevelt had acquired on the court. For with the backing of organized labor assured him the President had practically confronted the court with the alternative of upholding the Wagner Act or facing a popular protest which might give the final impetus to the passage of the court-reorganization plan. The court chose the former. In doing so, in the Jones and Laughlin, Fruehauf Trailer, and Friedman-Marks cases, it changed the whole direction of constitutional law by giving a very liberal scope to Congressional power over interstate commerce. And in these decisions it consolidated the new judicial liberalism.

What remained was the problem of giving actual effectiveness to the work of the Labor Relations Board. For by its very set-up in the Wagner Act the board cannot enforce its orders, but must apply to a Circuit Court of Appeals and ask for an order requiring compliance. The result has been, in the ten months that have intervened, a large number of bitterly fought actions in the circuit courts, on the issue of which the fate of the board has hung. On the whole the circuit courts have gone along with the Wagner decisions in their interpretation of the scope of the commerce clause, and also in their refusal to review the board's findings of fact. But that has not been true on the issues of disestablishing company unions or reinstating men who had been illegally dismissed.

That is why the three most recent Supreme Court decisions on labor, while important in themselves, are even more important for the effect they will inevitably have on the lower federal courts. Justice Stone, speaking for the court in the Pennsylvania Greyhound case, ruled that the Labor Board may require the employer to withdraw recognition of a company union as a collective-bargaining agency. Thus the disestablishment of company unions is made effective, and sabotage on the part of reactionary circuit-court judges can only delay it. Almost as important, from the standpoint of trade unions, is the decision of Justice Roberts holding that an anti-picketing injunction against a union is invalid under the Norris-LaGuardia Act and the Wisconsin injunction law, even when the men working in the picketed establishment are not members of the union. This makes it possible for organizing strikes to be carried on without being smashed by the traditional method of the injunction. The third decision goes far to validate the closed shop. The Supreme Court refused to review a decision of the New York Court of Appeals which had denied a temporary injunction against the Transport Workers' Union. What was involved was the refusal of some of the men to comply with a Labor Board order making the T. W. U. the exclusive bargaining agency. The question may come up again, but the Supreme Court's stand augurs well for a final ruling on the closed shop.

Thus the court has not only upheld the Wagner Act, but has strengthened three of the pillars of labor activity—the right of picketing, the disestablishment of company unions, and the closed shop. It is ironic that this swing should come at a time when the Administration is under heavy fire from the reactionaries on its tax and regulatory policies. The only thing that saves the court from similar attack is that the business groups consider it—and, historically, with reason—one of their own agencies. What will happen to the court's liberalism when a deepening crisis once more raises acute constitutional questions remains to be seen.

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A Bill to Promote Dictatorship

BY PAUL Y. ANDERSON

Washington, March 7

A MAJORITY of the House Committee on Military Affairs has just reported a bill which probably is the worst measure ever recommended for passage by a committee of Congress. That this statement covers a lot of territory I am fully aware, but if there ever was a projected piece of legislation which contained more unrelieved horrors and fewer excuses for its existence than the May bill, I should like to hear of it. On reflection, I should hate to hear of it. The title consists of two and one-half lines which contain four distinct falsehoods and not one grain of truth. The title is: "To Prevent Profiteering in Time of War and to Equalize the Burdens of War and Thus Provide for the National Defense and Promote Peace." It would not prevent profiteering or equalize the burdens of war or provide for the national defense or promote peace. A perfectly adequate and truthful title for this legislative monstrosity would be: "A Bill to Provide for the Establishment of a Dictatorship upon a Declaration of War."

One hesitates to say which is the more dangerous and despicable—the provisions of the bill itself or the hypocritical attempt to cloak them under a pretense of righteousness. Congressional hypocrisy is found in many forms and degrees. Here it is singularly cynical because it seeks to achieve its ends by taking advantage of a sentiment which is universal among decent people, namely, abhorrence of war profiteering. Its enormity may be measured by the fact that whereas it is assumed the American people would only go to war if they believed their liberties were gravely menaced, this measure would automatically deprive them of their most cherished liberties the moment the war began. In a sense they would lose the war by act of Congress before a shot was fired. The Hill-Sheppard measure which this bill supplants was less obnoxious in many respects.

The favorable reporting of such a measure at this time may be laid to several factors. Foremost, of course, is the kindling of the war spirit in Congress under the vigorous fanning of admirals hungry for larger and larger appropriations. Another and familiar cause is the general drabness of life in the House of Representatives which drives nonentities to snatch at every opportunity to lift themselves even momentarily from deserved obscurity. This motive doubtless operated with unusual force in the case of Representative May, a Kentucky popinjay who recently moved into the committee chairmanship made vacant by Lister Hill's escape to the Senate. Theretofore he had succeeded in attracting notice chiefly by his efforts in behalf of Southern electric-power companies, practically none of which was calculated to raise him in public esteem. Such considerations may seem piffling, but it is a mistake to underestimate their consequences in the House.

Under this bill the President would be empowered to do a countless variety of things simply by proclamation. He could draft men for war or civilian service. He could grant or refuse licenses to business and industry. He could allocate raw materials and requisition finished products. He could fix prices, rents, commissions, rates, services, and rewards. He could reorganize the government out of all semblance of its normal structure. He could smash labor unions or compel their universal recognition. His power would be bridled in one instance—he could not control the press, except, of course, in cases where he might decide to shut off the supply of white paper and ink. The bill reaches a climax of absurdity when it presumes to advise future war-time Congresses —as if future Congresses would not be as avid as this one to demonstrate the depth of their wisdom and the temper of their "patriotism"!

One sensible argument could be made for this bill. If war comes, some degree of Presidential dictatorship is inevitable. It might be said that the presence of such a measure on the statute books would serve as a frightful warning—a bill to promote peace by inadvertence.

In the quarter-century which has elapsed since the Mulhall scandal the National Association of Manufacturers has learned something. It has learned new and costlier methods of antagonizing public opinion. If it has learned anything else, the fact did not appear during last week's sessions of the La Follette investigation. Once it bribed Congressmen and page boys; now it seeks to bribe whole committees. The old device of a thousand-dollar bill in the palm has been replaced with an elaborate program whereby business men, taxpayers, professional workers, and school children are told by radio, screen, billboard, cartoon, and canned editorial that their existence depends on peace in the mills. To put it more bluntly, they are told the only way they can hope to get along is by keeping the damn labor agitators out. It has worked in some places, but in the long run it will certainly be listed with all such costly and stupid follies.

Senator La Follette

For some of this propaganda, indeed, the members have paid and are still paying.

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Thousands of dollars—of their own money—were spent to tell them that the Wagner Act did not apply to manufacturing. Even when such advice was originally free, as was that supplied by the Liberty League's sweet-scented lawyers, the cost of acting on it was heavy. Additional thousands were disbursed to educate them in the technique of forming company unions. Now they have learned from a chastened Supreme Court that the law does apply to manufacturing and that the company-formed company union is an outlaw.

If the fact needed emphasis, the hearings are serving the purpose of emphasizing once more that in the United States little business is almost invariably the dupe of big business. Babbitt is never so cheerful as when supplying the noose for his own neck. Examination of the association structure showed that with more than 4,000 members its policies are dominated by 207 corporations, whose officers in 1936 drew aggregate salaries of $88,750,000. It may be assumed that a substantial majority of the 4,000 are peaceful citizens, but 60 per cent of all the tear gas sold to industrial concerns in recent years was bought by these 207 companies, and 55 of them paid $2,225,000 for espionage in the years 1933 to 1937. The success or failure of a vast majority of the N. A. M. members unquestionably depends upon the purchasing power of workers, yet the evidence showed them religiously coughing up money for propaganda devised for the sole purpose of holding down the purchasing power of those workers.

How were they frightened into doing it? Don't take my word for it; read the testimony of Robert L. Lund, head of the Lambert Pharmacal Company, and Ernest T. Weir, head of the National Steel Corporation. They were told about the plans of the New York *Daily Worker* for undermining American industry! To what extent this was an extraordinarily silly attempt to justify sinister activity and what part was sheer boobery may be left to individual judgment.

Chamberlain's Treason

BY ROBERT DELL

Geneva, February 22

THE week that began with Hitler's ultimatum to Austria and ended with Anthony Eden's resignation was surely the most important week in the post-war history of Europe. The events of the past five years reached their climax. The successful bluff and blackmail of the fascist powers on the one hand and the incapacity and poltroonery of the Western democratic powers on the other produced a situation in which the British government had to choose between loyal cooperation with France and Russia to save Europe from fascism and adhesion to the fascist bloc. Neville Chamberlain chose the latter alternative. Eden, to his honor, refused to be a party to it. We cannot but regret that he did not make this choice in 1935 when the British government capitulated to Mussolini, but he has wiped out his weaknesses of the last two years by an act of courage which shows that he is made of stouter stuff than some of us had believed. The fact that he has been followed into retirement by Cranborne, the representative of a family that embodies the best tradition of English conservatism, is not negligible. Those of us who have seen Cranborne at Geneva have formed a high opinion of his character, in spite of several deplorable lapses. He has something in common with his uncle, Lord Cecil of Chelwood, whose evolution in the last few years has been so remarkable. The truth is no doubt that Eden and Cranborne have not fully realized until now the real nature of the policy of which they have been the instruments. They are to be congratulated on their escape from the gang of political crooks by whom my unhappy country is at present governed.

If Neville Chamberlain and the "Cliveden group"—the title is taken from Lord Astor's country house—have their way, it will not be long before Hitler is the master of the European continent. Some time or other the story will have to be told of the part played in the pro-German intrigue that led to the recent crisis by the family of American millionaire snobs who migrated to England to get themselves made into aristocrats and whose money has enabled them to lay hands on two of the most important London newspapers. The one hope is that the English people will revolt as they did at the time of the Hoare-Laval plan and prevent Neville Chamberlain from putting the power of the British Empire at the disposal of Hitler. It is as yet too early to form any opinion on that point, but there are already certain encouraging signs.

It is to Hitler, not to Mussolini, that Chamberlain and his fascist gang are capitulating. They are not afraid of Mussolini. They know as well as anybody that he is in a precarious situation, that Italy does not really count as a military power and is not a serious menace to England. The conversations that began yesterday are conversations not with Mussolini alone but with Mussolini as the mouthpiece of the fascist bloc. Neville Chamberlain's aim, as he said plainly in the House of Commons yesterday, is an understanding with Germany and Italy into which he hopes to drag France. He proposes to revive the Four-Power Pact, that is, to substitute for the League of Nations a directorate of England and Germany, with France and Italy as far from brilliant seconds.

There is no longer any question of Vansittart's fatuous policy of trying to detach Italy from Germany. Neville

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Chamberlain knows that there is no hope of breaking the Berlin-Rome axis. He proposes to convert it into a London-Berlin-Rome axis. Not for centuries has England been put in so humiliating a position. As the London *News-Chronicle* said yesterday, Chamberlain "may now look in the mud for what is left of British prestige." Eden was forced out of office on the very day on which Hitler made a personal attack on him in the most truculent speech he has yet delivered. Chamberlain has condoned Hitler's pacific aggression against Austria, if he did not connive at it in advance, as is not impossible. It came to my knowledge not long ago that a certain diplomatic representative in Berlin had reported to his government that the British ambassador to Berlin, Sir Nevile Henderson, had said to a prominent member of the German government in the presence of several other persons that he did not understand why Germany had not already annexed Austria seeing that, so far as he could gather, the majority of the Austrians were Nazis already. Chamberlain has been disloyal to France, for in defiance of the agreement arrived at in the Anglo-French conversations in November he started the negotiations with Italy without consulting the French government. Indeed, he acted in opposition to it, for as soon as the French government heard of the first meeting between Chamberlain and Grandi on February 18, it informed the British government that, in its opinion, any negotiations with Italy at the moment would be "inopportune and premature."

Eden's departure has at least cleared the air. The policy of the majority of the English Conservative Party is now so plainly revealed in all its naked hideousness that nobody in England or in France or elsewhere can have any excuse for being misled. Eden said in his speech yesterday that a firm attitude on the part of the British government was more necessary than ever at this moment. I do not believe that there is a single intelligent observer of international affairs in any European country that does not agree with him. Even if the attempt to set up an Anglo-German hegemony in Europe succeeds, the time will come when Hitler will attack the British Empire. He says in "Mein Kampf" that at first Germany must not try to become a world power, since that would antagonize England and make impossible an alliance between England and Germany. But he also says that ultimately "Germany will be a world power or nothing at all." Clearly Hitler's idea is to make use of England to get the territory that he needs in Central Europe and then to discard it. Foreign observers see this so clearly and are so convinced that Neville Chamberlain's policy of playing into Hitler's hands cannot ultimately serve British interests that they are incined to attribute that policy merely to a craven fear of Germany.

In my opinion they are mistaken. I have been more and more coming to the conclusion that at the basis of the foreign policy of the British reactionaries during the last five years have been hatred of Soviet Russia and fear of the growing force of organized labor in England and still more in France. There is every reason to believe that they were behind Chautemps and Georges Bonnet when the latter deliberately provoked the defeat of the late Chautemps government for the purpose of separating the Socialists from the Communists and driving the latter out of the Popular Front. There is also every reason to believe that the attacks on the franc, for the instability of which there was no technical reason, were engineered in the City of London with the connivance of French financial interests and even of certain members of the late Chautemps Cabinet. The terrible irony of the situation is that Léon Blum and his colleagues in the first Popular Front government allowed themselves to be made the tools of a foreign policy fundamentally opposed to the interests of France and initiated by their worst enemies. The pro-German gang in England represented by Neville Chamberlain are not mere craven imbeciles. They are much more like traitors, putting the interests of their class before those of their country.

On February 12, after five years of rearmament, Hitler began to apply his program of territorial aggrandizement in Europe. The methods by which he forced the unhappy Schuschnigg to yield to his demands constituted as flagrant an act of aggression as an armed invasion. The best account of what happened was given by G. E. R. Gedye in the London *Daily Telegraph and Morning Post,** of which he is the Vienna correspondent. Before Schuschnigg left Vienna for Berchtesgaden on February 11 he was given to understand that the Nazi plan for his overthrow, found on January 26 in the safe of Captain Leopold's headquarters in Vienna, would be put into force if he declined Hitler's invitation. According to this plan, which was signed R. H. (Rudolf Hess), the Austrian and German Nazis in collaboration were to promote frontier incidents and at the same time the Austrian Nazis were to start terrorist activities in the interior. As soon as the Austrian police took action the German army was to cross the frontier to prevent "Germans from shedding the blood of Germans." For this purpose German troops were to be massed on the frontier under the pretext of maneuvers and were to be under the command of General von Reichenau, corps commandant at Munich, who was described in the Hess plan as "Commander of the Army of Intervention in Austria."

When Schuschnigg went to Berchtesgaden, German troops were actually concentrated on the frontier opposite Salzburg. General von Reichenau was the first person introduced by Hitler to Schuschnigg at Berchtesgaden, and he and two other generals, if they did not actually take part in the conversations, were in the antechamber to intimidate Schuschnigg. Hitler gave Schuschnigg an ultimatum which expired on February 16. Failing an affirmative reply from the Austrian government by that date, the German troops were to march into Austria. What could Schuschnigg do but give way, knowing as he did that he could expect no help from anybody, not even from Mussolini? He did not, however, give way on every point, for he appears to have refused to agree to Hitler's demand that Austria should support Germany in whatever action Germany might take against Czechoslovakia. Nevertheless, unless something quite unforeseen happens, the formal annexation of Austria to Germany can be only a question of time.

* Mr. Gedye's account also appeared in the New York *Times* of February 17.

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It appears from Eden's speech yesterday that the attitude of the British government in regard to the coup against Austria was also a cause of his differences with Neville Chamberlain. The French government asked the British government a few days ago to join in making representations in Berlin to the effect that England and France would not again tolerate being faced with a *fait accompli,* and that they would not tolerate the destruction of Austrian independence or any interference with Czechoslovakia. Nothing has yet been published about the British reply to this proposal, but no doubt it was in the negative. Yet the British government signed the Treaty of St. Germain by which Austrian independence was put under the protection of the League of Nations. Hitler's success in this matter has caused great alarm here in Switzerland, where it is recognized that, if such methods are tolerated, no small country in Europe will be safe. Hitler's truculent speech on February 20 shows that he now believes himself able to do anything with impunity. That any British government should propose to come to an understanding with Nazi Germany after this speech is an enormity.

The worst element in the situation is the terrible position of France. Most people in that country are now beginning to recognize what a blunder the policy of sacrificing everything to British friendship has been. They are beginning to see that France has been betrayed by her false friends, the British reactionaries. That brilliant journalist, Emile Buré, described England and France a few days ago as *l'aveugle et le paralytique*. Alas! France is now paralyzed because the French, too, have been blind. Except during the eight months in 1934 when Louis Barthou was Foreign Minister, every successive French government in the last five years has blindly followed the orders issued from London. It is exasperating to remember that in 1936 the Blum Cabinet, under British influence, refused the offer of a pact of mutual assistance made to France by the Little Entente. The Blum Cabinet when it came into office had an immense opportunity. Had it revived and extended Barthou's policy, it could have secured the peace of Europe without sacrificing the friendship of England. As it is, the British government has succeeded in estranging France from Russia, and in destroying the Little Entente and the Balkan Entente. Poland, Yugoslavia, Rumania, and Greece have one after the other been drawn into the German orbit, because, as a Balkan diplomatist said to me some time ago, they could have no confidence in people who were incapable of defending even their own interests.

Czechoslovakia is isolated in Central Europe. After Hitler's speech there can be no doubt that he intends to use against Czechoslovakia the methods that he has used so successfully against Austria. The probability is that Czechoslovakia will resist, in which case France and Russia will be bound to go to its aid, and if they do the result will be a European war into which the English people will be drawn whether they like it or not. If, on the other hand, France does not fulfil its treaty obligations, Hitler will be the master of Central Europe and Czechoslovakia will no doubt be partitioned among Germany, Hungary, and Poland. Russia is not bound to go to the aid of Czechoslovakia unless France does. It is a heartrending situation.

Risks—the Key to Recovery

BY SUMNER H. SLICHTER

I

SEVERAL months ago we spoke of the business recession. Now quite frankly we say depression. Nevertheless, there is an excellent chance that the next two months will see a revival in the consumers'-goods industries, partly seasonal and partly based on the replenishment of inventories. The crucial question is whether this revival will carry over into a substantial and sustained increase in the demand for capital goods.

This question provokes two points of view—one optimistic, one pessimistic. The optimists regard the depression as a temporary interruption of recovery from the Great Depression, an interruption brought about by the collapse of speculation in commodities last year. They stress two points. The first is that financial conditions in general (railroads excepted) are strong, and that despite the vigorous speculation of last year there has been no credit collapse and there is no speculative wreckage to clear away. The second is that the country has made relatively little progress in eliminating the shortages of durable goods—housing, railroad equipment, public-utility equipment, industrial equipment in general—that accumulated for five years during the Great Depression. Hence the optimists believe that a pick-up in the light industries will soon produce a broad demand for housing and industrial equipment.

The pessimists admit that the potential demand for capital goods is large, though some of them believe that it is overestimated by the optimists. They point out, however, that throughout almost the entire recovery period the country has experienced difficulty in developing a sustained demand for capital goods. True, for a period of about nine months last year the heavy industries were almost as busy as in 1929. But this activity in the main was not based upon long-term planning. Most of it represented replacement of equipment rather than expansion,

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and it was financed from unexpended depreciation allowances rather than by new security issues. A large part of the accumulated depreciation allowances have been spent. Hence there is no hope for sustained recovery in the capital-goods industries unless we develop a strong new-issues market—something we have not succeeded in doing during the last five years except for the highest-grade issues. The pessimists regard it as an evil omen that when the worldwide commodity boom collapsed last April the United States was the only country in which the demand for capital goods also collapsed. The very fact that the demand for capital goods here lacked vigor will make it difficult, in their view, to reestablish it.

The pessimists also point out that there are special obstacles to expansion in the demand for housing, railroad equipment, and electrical equipment. In the case of housing, expansion is limited by the fact that the effective demand for housing is small. It is true that few houses have been built in recent years and that responsible statisticians estimate the shortage to be between 1,500,000 and 2,000,000 houses. It is ridiculous, however, to argue that a nation which spent $5,000,000,000 last year on automobiles could not buy 500,000 or 750,000 houses a year if it wished them. In 1937 only 280,000 houses were built. The hard fact of the matter seems to be that people prefer to economize by renting old houses and to use their money for automobiles, radios, refrigerators, and vacations. In other words, housing is in fierce competition for the consumer's dollar with these other industries, and it has been losing out in this competition ever since 1926. In 1920 a cheap six-cylinder car cost about 40 per cent as much as a cheap house; in 1937 a cheap car cost about 20 per cent as much as a cheap house, and the car had improved more than the house. Housing will not be a major influence in producing revival until it can compete with other industries by giving the consumer much more for his money.

The pessimists believe that a revival of business will not produce much buying of equipment by the railroads until it is fairly clear that the revival will last for some time. Increases in railroad costs and shrinkage in railroad traffic have so drastically reduced the profits of the roads that they must pursue an exceedingly conservative buying policy.

Most of the pessimists admit that the electric-utility industry offers more hope for an immediate expansion of demand than either housing or railroads. This is a young and growing industry which was making large capital outlays until well into the depression and which today could advantageously spend large amounts on improvements and extensions. The utilities are held back by their unsatisfactory political situation. The government has embarked upon the production of power, and no one knows how its competition will be conducted or how far it will go. No one knows to what extent the plants of the utilities will be duplicated or to what extent the utilities may be compelled to dismember their systems by selling part of their plants to the government. Until these uncertainties are removed, expansion by the electric-utility industry will be on a hand-to-mouth basis.

The pessimists conclude their case by pointing to signs of recession abroad, particularly in Great Britain, and by reminding us that it will be difficult to accomplish a sustained recovery here in the face of recession abroad.

II

Whether one be an optimist or a pessimist, one can agree that the crux of the recovery problem is making sure that expansion in the consumers'-goods industries does lead to substantial and sustained expansion for capital-goods industries. And whether one be an optimist or a pessimist, one can agree that the prospect of such a carry-over is so uncertain that nothing should be left undone which might help to bring it about. What might be done?

One school of thought would revert to the "pump-priming" of 1933-35. They would have the government deliberately incur a huge deficit and spend it on public works or armaments. Pump-priming is stimulating as long as it lasts. The difficulty with it is that it does not produce much long-term planning, because business men hold back in expectation of a recession as soon as the pump-priming ceases. This does not mean, however, that a moderate deficit, say about $1,500,000,000, would be undesirable. A depression is a time when individuals are saving more than they are investing. In order to prevent these savings from being hoarded, and thus making the depression worse, a way is needed for using them to support the demand for goods. A deficit of $1,500,000,000 is large enough to give considerable support to consumer demand and to provide an outlet for savings that might be hoarded, but it is not large enough to arouse inflationary fears. The business man knows that the ultimate result of inflation is collapse. Consequently, when he fears inflation, he tries very hard to avoid long-term commitments—the very kind which need to be encouraged.

Another major suggestion is that a general increase in production be brought about by "planning." The proposals are vague, but the idea has been suggested by the President himself, and it finds some favor in the government. But who is to make the plans, how is their execution to be accomplished, and, above all, how are producers to be assured that there will be a demand at profitable prices for the planned output? All planning schemes rest upon a misunderstanding of the essential nature of our industrial system. Ours is the kind of economy which flourishes only when business men are disposed to take chances, when they are willing to spend money for the purpose of seizing an opportunity to make money. Now, chance-taking by many thousands of business men scattered from coast to coast and from Canada to the Gulf cannot be planned. It can be induced and encouraged, but it cannot be ordered or forced. In fact, the very efforts of the government to plan production and business activity are likely to alarm business men and make them hunt for security rather than take chances.

III

All this helps to define the essential problem of stimulating the capital-goods industries. Clearly it is one of encouraging business enterprises to take risks on a larger

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scale, to attempt to develop new markets, and to spend money on new methods and new products. No single policy can assure this, but the following steps would help.

Let the government begin to open up new investment opportunities by defining its policy toward the electric utilities in terms which make it plain that operating systems (as distinguished from holding companies) will not be dismembered, and legitimate private investments in them will not be destroyed. The utility industry, more than almost any other, is in an economic position to make substantial capital outlays. The public little knows what the present undefined utility policy of the government is costing the country in terms of unemployment and a lower standard of living. Certainly the cost is many times what the public may expect to get back in the form of lower rates, for electricity is one of the smallest items in the cost of living. Even a cut of one-third in rates would not save most customers a dollar a month.

Let the government use its moral influence to facilitate reductions in the prices of building materials and the wages of building labor. If a house which now costs $4,000 could be offered for $3,500, and on more attractive terms, many people probably would be induced to use their old cars a year or two longer and to cut down on their vacation plans in order to make the first payment on a house. This incidentally would give other people a chance to move up into better quarters at little or no increase in rent. The very fact that there are now so many relatively new automobiles in use gives the housing industry an excellent opportunity to induce people to buy houses provided it prices them attractively.

Although railroad buying must be governed primarily by the prospects for traffic, the ability of the railroads to purchase better and more economical equipment would be increased by a drastic reorganization of the thirty-eight major roads now in receivership or bankruptcy. These financially weak roads can be converted into strong ones if we have the courage to make drastic cuts in their fixed charges. This is a golden opportunity which should not be allowed to pass.

Let the government sponsor repeal of the tax on undistributed profits except as it applies to non-operating corporations created for purposes of tax evasion. Mr. Eccles in his recent testimony before the Senate committee argued that it is deflationary to encourage corporations to reduce their debts and lay away reserves against times of stress, but this is not quite true. Excessive debts can be deflationary, as the present condition of the railways eloquently testifies. Furthermore, the ability of corporations to attract outside capital often depends upon the willingness of the management to plow back part of the earnings. The effects of repeal, however, should not be exaggerated, because eliminating the tax would create no new investment opportunities. It would simply make enterprises more responsive to such opportunities as they arise. Business men are particularly fearful of the undistributed-profits tax because, rightly or wrongly, they regard it as a tax, not upon income, but upon capital accumulation, a tax designed to penalize corporations which undertake to strengthen their financial condition.

Most important of all, let the government sponsor reforms in the income tax designed to encourage capital to take chances in private industry rather than to seek security in municipal and other government bonds. Despite the fact that ours is the kind of economy which flourishes only when capital is disposed to take chances, the United States has developed an income tax which penalizes capital heavily when it enters private industry and rewards it generously when it seeks security in government bonds. This is because income from private investments is taxed at rates which exceed 50 per cent for the higher brackets, while income from government securities is either partially or entirely exempt. Such a system will have to be modified unless we are prepared to substitute state capitalism for private capitalism.

In this connection, it is significant that one of the most universal demands of "the little business men" in Washington recently was for government help in obtaining funds. Scattered around the country are many hundreds of capitalists, small when judged by metropolitan standards, who in times past have been ready to put money into ventures which looked promising to them. Quite often the investments of these capitalists took the form of picking promising young business men, usually men without funds, backing them with capital, and giving them a chance to buy a share in the business out of profits. Capital of this sort has taken long chances, and it has gone into factories, mines, stores, and real-estate developments that no bank or insurance company could possibly consider—ventures which were not exactly "wild-cat" affairs but which some wag has called "tame wild cats." It is the kind of capital which is most useful in starting new enterprises and in making competition vigorous and industry dynamic. Although the local capitalists who have supplied these venturesome funds are not multimillionaires, they are rich enough so that the government is likely to take 40 or 50 per cent of the profits from their successful guesses. And one bad guess, of course, is sufficient to cancel the profits of several good ones. This is why the tax system has dried up the supplies of our most venturesome capital and why the "little business men" cannot get funds at the same time that interest rates in the gilt-edge market have been driven down to record-breaking lows.

Probably the most important single step which the government could take to encourage sustained revival in the capital-goods industries would be (1) to sponsor a constitutional amendment making possible federal taxation of state and municipal bonds, and (2) to commit itself to reduction of income taxes in the higher brackets upon the adoption of the amendment. The result would not be to lighten the tax burden borne by the rich, but to end the discrimination which now encourages capital to hunt for security rather than to take risks.

A proper consideration of the problem of recovery should not confine itself to what the government should do. Business itself has broad responsibilities, particularly in an industrial system such as ours in which private initiative is the mainspring. When business men demand that the government restore confidence, they overlook

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the fact that confidence is only superficially a matter of relations between the government and business. More fundamentally, it is a matter of relations between business and the community. Business will not have confidence in the future until it feels that it possesses the friendship and the good-will of the community. All of this means that the responsibility for restoring confidence rests as much upon business as upon the government. Once business wins the good-will of the community, the relation of business to government takes care of itself.

Business needs to correct many policies in order to gain the good-will of the community, but enterprises could probably get the most immediate return by improving their relations with organized labor. Indeed, in a democratic society, it is simply not safe for business to be on bad terms with a large and powerful labor movement. Many times during the last year business men have complained that bad relations between employers and organized labor have weakened business confidence and retarded recovery. This probably is true, but business men have it within their power to make these relations good. During the last several years leading enterprises in the steel, electric, oil, and rubber industries have succeeded in working out friendly relations with labor unions. If these enterprises can do this, why cannot others? A strong determination by business managers to build up cooperative relations with organized labor would go far to improve relations between business and the community and to solve the problem of business confidence.

IV

These problems of restoring prosperity which now confront us are far more than simply problems of 1938 and of this particular depression. They are aspects of what may be called the paramount economic problem of the twentieth century. This is the problem of encouraging risk-taking by private capital, of encouraging investment. It is a truism that consumption varies with the level of employment and that employment varies with the volume of new investment. The encouragement of investment, therefore, is a matter which far transcends the interest of investors. Almost everyone's standard of living depends upon keeping new investment large enough to absorb the current savings of the community.

During the nineteenth century, when the vacant continents of North America, South America, Africa, Australia, and large parts of Asia were being developed with the savings of Europe, no one needed to worry much about maintaining the volume of investment. But conditions have changed. With vacant continents no longer awaiting development, with the increase in population slowing up, with many barriers interfering with the international movement of capital, no longer can we take it for granted that investment will maintain itself. The encouragement of investment must become a major objective of public policy. Upon the ability of democracies to appreciate this fact will depend their ability to operate the capitalist system—the only system, I suspect, under which power in the community can be sufficiently divided and dispersed to make democracy possible. And upon the ability of democracies to encourage investment will depend also their ability to keep opportunity abundant and, therefore, social conflict mild, and to avoid the repression and regimentation that are the inevitable results of severe social conflict.

Columnists on Parade

III. HUGH-AND-CRY JOHNSON

BY MARGARET MARSHALL

HUGH S. JOHNSON is an old Lochinvar out of the West. He was born in Fort Scott, Kansas, and he has been answering bugle calls ever since. His family moved to Oklahoma Territory, where he grew up among subject Indians, hard-swearing frontiersmen, and horses, in the wide open spaces of a pioneer country. He tried to enlist with the Rough Riders at sixteen but was saved for West Point. From Fort Clark, Texas, he rushed to the rescue in the San Francisco earthquake, and he served in the Philippines and on the Mexican border. His army name was "Tuffy." He talked out of the corner of his mouth and began roaring at privates at an early age. On the side he wrote sentimental stories for boys about soldiers and adventurers. His heroes were gallant men talking slang. The stories got published, thereby launching the soldier on what his syndicate blurb fondly calls his literary pursuits. Occasionally in his column he still writes stories for elder children glorifying great defeated soldiers like Ludendorff and great statesmen like Newton D. Baker. Between the Philippines and the Mexican expeditions he got a law degree at the University of California. He was with Pershing in the Mexican days. From then on he was forced to do his fighting behind the lines. In the autumn of 1916 he went to Washington during a leave—and General Crowder ordered him to stay. It was the autumn when Wilson was reelected to keep us out of war, but "for us, the war was just around the corner" and Hugh Johnson's happiest years lay just ahead. "General Crowder," he writes in one of the simplest sentences in his book ("The Blue Eagle from Egg to Earth"), "had been interested all his life in the subject of mobilization." Hugh Johnson had the privilege of writing the draft provision into the mobilization plans. The General is

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very proud of this episode; he repeated the story only a few weeks ago in his column. It has many implications in this period of new wars. I quote, with a few underlinings of my own:

> *That was months before we declared war on Germany.* President Wilson . . . told the Secretary he wanted a bill prepared by the next day authorizing him to raise a vast army during the recess of Congress if developments in our relations with Germany required it. . . .
>
> *Without any discussion whatever* I wrote a paragraph providing for conscription. Mr. Baker was supposed to be a pacifist. . . . The Secretary did not hesitate at all. . . . *In advance of statutory authority* we set up all the machinery for conscription.

In his book he dwells fondly on this point:

> Printing [of registration forms] in advance of the statute was absolutely illegal . . .
>
> . . . by breaking law and regulations we saved at least six weeks.

The next job, writes Johnson, " was to inform and convince the country of just what was necessary"; and it is another of his proud memories that having taken "two days off literally to soak myself in the style and writings of Woodrow Wilson," he wrote the President's draft proclamation: "It is in no sense a conscription of the unwilling; it is rather a selection from a nation which has volunteered in mass. . . ."

Remember? We know the rest. The "selling" campaign (Johnson's phrase) was a great success. And Johnson at least has few regrets. One is that he didn't get to France.

In writing the Recovery Act, at the request of another President, Johnson and his aides "wrote in a provision for vast naval construction which—to our astonishment—was never even questioned. . . . We never even discussed that naval provision. . . . I simply wrote it."

If these episodes do not square with the General's frequent appeals to public opinion, it is because you do not understand his ideal of public opinion. It was exemplified during the war. He recently scoffed at the idea of a dictatorship in the United States, though he had himself taken part in what is generally regarded as a pretty good imitation of one during the war:

> . . . it is the worst material in the world [he is speaking of American soldiers] on which to attempt the goose-stepping, heiling, posturing, sheep-herding, bunk and ballyhoo that must go with any attempt to take away their right to a say in their own government.

He says he knows because he saw a cross-section of them in the draft of 1917!

The war period remains for Johnson the golden day of idealism, unity, leadership, powerful purpose, and Hugh Johnson helping to run things. He was in his element on the War Industries Board assisting one of his heroes, Bernie Baruch. He loves to "straighten things out." He loves great men. His devotion to Wilson, Baker, and Baruch is deep and characteristic. His psychology is that of a top sergeant; and his chief is invariably a great man to whom he gives undying loyalty, confidence, and affection, and whom the world does not truly appreciate. He delights in a similar loyalty from his own subordinates.

When the great days were over, Johnson resigned from the army—a brigadier general at thirty-six—and became associated with Bernie Baruch. Since then he has lived in the never-never land of enlightened capitalism and voluntary cooperation. Its contradictions match his own, but the General has so much energy and is so tough that contradictions naturally "roll off his back like a duck," as Sam Goldwyn would say. Action, devotion, facts, service. He marches in a cloud of dust kicked up by his own fierce forays which obscures distances and fills him with a happy sense of going somewhere.

As a big-time military man who had added big business to his repertory, the general of emergency answered the bugle call of the NRA with gusto. He went about the country in a whirlwind of "straightening things out" and "cracking down" on "chiselers." "Witch doctors" and "dead cats" assailed him, and "those who were seeing things under the bed," such as NRA "dictators."

Labor didn't really appreciate him, although in Johnson's opinion the NRA did more for labor than unions had ever done. Johnson is sentimental about labor. In the land of enlightened capitalism labor lies down with capital, and business is a "joint adventure." He genuinely wants everybody to be happy. The profit system is best, and to the General it presents no conflicts that cannot be resolved by codes and cooperation. Labor and management are partners. "There is never a proper question of *what is the most labor can get out of management*. . . . There is never either a proper question of *what is the least that management can pay labor* [Johnson's italics]." He is a King Canute telling capital and labor they must not act like capital and labor. He is hurt when they persist in their folly. He envisions a touching partnership named "Labor, Management & Co." He believes in the vertical organization of the whole of labor in a given industry and he admires John Lewis—"he knows so much more about the bituminous coal industry than many of its managers that I used to feel sorry for them in some joint conferences." But wait. He does not mean to condemn craft unions, and he admires Bill Green and craft-union leaders. He wrote in his book:

> . . . I never saw him [Bill Green] in a spot where the national interest was involved when he did not come forward. . . . He repudiated the general strike on the Pacific Coast with even more emphatic words than mine. He has smashed at communism whenever it raised its head. . . . In finding leadership for the new vertical units, I think it highly necessary to make heavy drafts on the experienced leaders of the craft unions.

What this country needs is a labor policy, and he could pick a team to draft one. He revels in picking teams.

If I have referred often to the General's book it is because it reveals so fully the complicated convictions out of which his columns come. It teems with plans and platforms that he "simply wrote." It teems also with remarks such as "if I had it to do over again" and "I still think my plan was best."

How he would like to have it to do over again! His col-

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umn is the column of a top sergeant on leave. It is mainly devoted to criticism of the Administration. He carefully distinguishes the first (his) New Deal from what he calls the third New Deal. Its confusions and contradictions are an easy target, and the General has been around enough to have a good supply of ammunition. But the implication is that the third New Deal is more confused than the first. At least the General prefers his own brand. His solution for the country's problems is to accept the "economic behemoths" as

> . . . natural growths under natural laws which have brought great benefits—together with whatever burdens and abuses may be proved . . . but give people, through their government, a say in the correction of proved abuses by letting these corporations live but requiring them to operate under supervision of government and with its cooperation in some such tribunal as might be called a "high court" of commerce.

It sounds well, but the NRA, relying on persuasion, was not a howling success, while the War Industries Board, which was, worked through compulsion. The abuses of the behemoths must be curbed, but the Administration's brand of regulation does not suit him. Now that Roosevelt is retreating to Richberg's line, the General must approve. For the present he sees dictation everywhere—"things under the bed." He has made his peace with Richberg, who has come over to enlightened capitalism and voluntary cooperation, but he is still bitter about Madam Perkins. The New Deal is "trying to fenagle the popular support of wages-and-hours legislation into a fascist control of labor." The New Deal's agricultural policy "is a fascist control over croppage." He refers to the "radical fascist fringe of the President's advisers." He speaks of the "third New Deal approach to totalitarian government." He is very tender of big business. As for the talk of monopoly, "There are some price abuses, but to accuse all business, or even all big business, of them is the most dangerous and vicious and least brave and honest kind of political demagoguery." He scoffed at the idea of a "food trust."

"Since 1925 the steel industry has earned less than 4 per cent on its investment." Pity the poor steel industry. During the NRA he was most bitter toward those critics who said that it encouraged monopoly by crowding out the little fellow. In the same breath he said that businesses that couldn't meet the code standards didn't deserve to survive—which is a good principle but seldom hits the big fellow. The du Pont family is a "distinguished [one] with a fine record of public service in both peace and war." "Messrs. Weir, Sloan, and Chester are all men of good-will." He blames the Administration for the recession. "The present depression," he said in a recent speech, "was made by one man and can be lifted by one man, and his name is Franklin D. Roosevelt."

When it comes to plans for war, Johnson is on the side of the President and the generals and admirals. "The President's armament request could be improved upon only by asking much more." There followed a nightmarish picture of fascist invasion of the American continent. He seemed not to be aware of the secret Mobilization Day plans of the General Staff, prepared "in advance of statutory authority," which will convert this government into a dictatorship overnight. We must avoid war profiteering and inflation, but we must be careful not to kill the profit incentive. "Our profits incentive has worked to the greatest result of production in history. The compulsion idea is an unproved experiment." The draft of course is a different matter. Privates will fight out of pure patriotism provided they are drafted and public opinion is behind them, but apparently Johnson's captains of industry cannot be expected to do the same. He's right, of course.

On the question of aliens the General is a belligerent American. On February 15 he raged against aliens like Sonja Henie, who are taking good money out of the country:

> . . . counting the bootlegged ones, we are probably supporting 3,000,000 aliens in jobs or on relief, and when you include these highly perfumed specimens it is costing plenty—we with ten millions unemployed and running WPA theaters and orchestras to support a surplus of mummers and piccolo players in nude eel propaganda. [Syntax and pun Johnson's]. . . . Every time I hear that juvenile lime-juice adenoidal accent [he is speaking of Freddie Bartholomew] playing an American kid and think of Jackie Coogan and Shirley Temple I want to wring that little Briton's little neck—not because he's British or Bartholomew, but because we've got plenty of good kids of our own.

It calls up another incident in Nogales, Arizona, when a Mexican garrison from across the border gave the American officers' corps a dinner. Hugh Johnson, called upon for a speech, said in Spanish: "Here's to the day when the American flag will fly from the North Pole to the Isthmus of Panama—then we can all be brothers in arms." His chauvinism works both ways.

Johnson's style is vigorous and noisy, picturesque and allusive. In his book he describes the scene in which he took leave of his faithful employees. He indulged in an address, reprinted in full, that reduced his "army" and himself to tears and must have reminded the General of Washington's farewell to his troops. It was sprinkled with literary and Biblical references—to the Sermon on the Mount, the Golden Rule, the last words of Madam Butterfly in Italian ("To die with honor when you can no longer live with honor"). I like his paraphrase, in honor of NRA, of the lines of his "favorite poetess":

> But oh my foes and ah my friends
> It was a lovely fight.

His columns likewise abound with allusions. One has the impression that he has read widely—and out loud. His mind is a battlefield in which he rushes in all directions roaring at the enemy. The enemy of the moment is the third New Deal, but I cannot help feeling that the General is only on leave.

When he left the NRA he had no word of blame for his beloved chief, the President, who trusted him to the end. He criticizes Roosevelt, but his real bitterness is reserved for the present advisers of the President, the White House "janissaries" who read books like Lund-

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berg's "America's Sixty Families" instead of listening to B. M. Baruch. On March 4 he wrote a furious column headed "Baruch Snubbed" on the occasion of the report that the President had said he had read only the headlines about Baruch's testimony before the Senate Unemployment Committee. Five Presidents, he said, had requested Baruch's advice on national economic affairs, and he "had a powerful part in advising the broad principles of the first New Deal—the magnificent New Deal of early 1933, under which this nation recorded its greatest economic advance of the depression, an advance now lost." A few days earlier he had said that government requires a team of great men. I am sure that his ex-chief Roosevelt can have him back by calling him back—him and B. M. Baruch.

Needless to say, he is the darling of the editors. At first, I was told, his column did not go so well because editors thought of him as boss of the NRA. When they realized that he was vigorously anti-Administration his stock went up and he has been selling rapidly—which is a commentary on who selects columnists, the "public" or the editors. He appears in 67 newspapers, circulation 4,179,583. His column is designed for the prosperous middle class, for the service corps of industry, for editors. He is an apologist for business. The "chiseling fringe" is only about 10 per cent. His sentimentality, toughness, "picturesqueness," and authentic Americanism probably have an appeal. A general who writes a column is a novelty. Readers like the sharp sauce of a general talking slang. The editors like the anti-Administration meat beneath. I think he is sincere in his opposition to fascism. But I have no doubt that he would be willing to take part in a "voluntary" arrangement—in an "emergency" and with the support of public opinion—with himself as the tough but kindly officer in command.

[*Next week: Dale Carnegie.*]

The War in the Ether

By KARL VAN GELDERLAND

IT HAS been a major tenet of liberal thought that democracy as an institution need not try to make converts nor send out propagandists to promote its cause since the "truth" as such is bound finally to gain the upper hand over "deception." Having accepted this thesis, the Western democracies ceased to be missionary and aggressive, and post-World War developments found them in a defensive attitude, clinging to the status quo. Only recently the discovery of "thieves at work" shocked France and England and other democracies into a realization that more vigorous measures were necessary against the latest offensive of the fascist world alliance—the war in the ether. This European short-wave war has now spread to all parts of the world where ideologies and material interests clash.

Tokyo has announced that it will start construction of at least two powerful short-wave stations at Peiping and Tientsin to acquaint the world with its program of "pacifying" China. Broadcasts will be in Japanese, Chinese, and English. Italy's radio attacks on France and Britain are undermining the authority of those powers in Africa and Asia. Latin America receives daily broadcasts from Rome. General Franco has established short-wave stations in Seville and Spanish Morocco whose mission it is to expose the "rottenness of democracies"—they have referred to the French government as "a bunch of murderers."

Germany, however, stands first in this as in other fields of modern propaganda. Its short-wave messages are skilfully designed to gain sympathy for the Third Reich by justifying its territorial demands and demonstrating its peaceful intentions; to foster united blocs of German minorities abroad; and to carry on the fight against democracy, Jewry, communism, and the world's labor movement. Germany's twelve powerful short-wave stations have been hammering away on the ether for years. Operating with not less than 40,000 watts, combined with directional antennae, these stations can be heard in every part of the world. For their purposes the world is divided into six zones—North America, South America, Africa, East Asia, South Asia, and Australia—each receiving a program specially prepared for its consumption. One half of the program features German music, folk songs, sketches of present-day life in Germany, speeches by political leaders. The other half repeats most of this in English, Spanish, Portuguese, Dutch, French, and other languages. The League for Germanism Abroad, which plays an important role in composing the broadcasts, has announced: "Foreigners of standing, visiting Berlin, appear more and more frequently before our microphones. They give authentic testimony about the Third Reich of a most convincing nature to the people of the speaker's home country." A special department on *Weltanschauung* seeks to spread those ideas which have been universally recognized as characteristic of the Nazi ideology.

Each one of the six zones is under the direction of a member of the National Socialist Party who has had long experience in that part of the globe. "These men know the conditions in the countries to which their broadcasts are sent; they know the languages well; and they are supposed to answer every letter received from individual listeners." Old German music and folk songs are considered to have a political "cash value" as a means of strengthening the ties of Germans abroad with the mother country.

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The program broadcast to the United States on January 5, for instance, contained a number of promotional items sandwiched between folk songs, music from small villages, a violin concert, and chamber music. There were five "news flashes" of fifteen minutes each; a broadcast in memory of a "Pennsylvania Dutch" poet, Henry Harbaugh; a reading by a young poet representing the Hitler Youth; and a review of the news. The news reports with which these programs are packed are not to be confused with the average American presentation. They are chosen primarily to advance the "Berlin line."

German-language publications everywhere reprint items received in the news flashes over the short wave. And since this service is generally free of charge, it is well adapted to bring small newspapers into the same line. (There are 1,700 German-language publications outside of Germany, according to the Deutsche Auslands Institut, Stuttgart, with approximately 150 in this country.) Every month thousands of programs printed in several languages are mailed to all parts of the world explaining the special significance of broadcasts to foreign listeners. That this combination of radio and press propaganda abroad is having the desired effect is shown by a statement in the report of the League for Germanism Abroad: "Eighty per cent of all letters from the United States to the German short-wave stations come from non-German listeners. The average in all zones of letters from non-German listeners amounts to 63 per cent."

Our State Department has recently become concerned about the success of European short-wave propaganda in South America. Unable to deal with the situation directly, it let it be known to the Federal Communications Commission that foreign-language short-wave broadcasts from the United States to South America should be encouraged. A year ago Commissioner George Henry Payne, in a speech before the Harvard School of Business Administration, declared that the establishment of a government short-wave radio station was "necessary for defense over the air from the attacks of foreign or unfriendly agencies." A report of the Bureau of Foreign and Domestic Commerce, dated October, 1937, refers to the unscrupulous methods of the fascist powers in their campaign for "spiritual occupation." "German stations," it asserts, "blanket out frequently the most powerful of the three American stations." It adds that German programs are highly favored in South American countries, while programs broadcast from the United States rank third in popularity. These observations find support in a report by Carl W. Ackerman, dean of the School of Journalism of Columbia University, who also refers to the blanketing out of American broadcasts to South America by Berlin and Rome. ("Blanketing out" is a trick well known in Europe, where radio stations illegally use the wave lengths of their opponents across the border and make a clear reception impossible. Radio Strasbourg, a strong French station, for example, sending out news in the German language, is constantly interfered with by Germany; most German-language broadcasts from Moscow are also "killed.")

An attempt to create a foreign-language short-wave system in the United States was made recently by the National Broadcasting Company, when it inaugurated a six-language short-wave program to Europe and South America. A high percentage of broadcasts, however, are given in English, and the regulations of the Federal Communications Commission, which allow performances only "in the interest of public service," bar anything of a controversial nature. The few other short-wave stations which are equipped to reach foreign countries feature educational, religious, and good-will programs, and since most of them are in English, they are rarely understood in South America. Station WIXAL in Boston, an educational station operating in conjunction with the Pan-American Union, had until recently a two-hour program in Spanish once a week—Germany broadcasts to South America for ten hours daily in Spanish, Portuguese, and German. In Europe's fascist countries the people are not allowed to listen to information on the forces active in democratic countries; witness the suppression by Propaganda Minister Goebbels of President Roosevelt's message to Congress on foreign politics, ordered broadcast in six languages.

On February 26 President Roosevelt made the first official move to counteract foreign radio propaganda in South America by appointing a government committee to investigate the whole problem of international broadcasting. The committee is expected to recommend, among other things, a federal short-wave radio station in Washington. With official encouragement of short-wave broadcasting, the old problem of commercial or non-commercial programs will again become acute. According to the FCC regulations, short-wave broadcasts must be non-commercial. Yet it can hardly be expected that the big radio chains, which have made some effort to appease the government by the installation of short-wave stations broadcasting to South America, will operate them without profit as whole-heartedly as conditions require.

When the FCC gave out rights for new frequencies on the short wave a few weeks ago, the National Broadcasting Company was denied its application for new frequencies, while General Electric, operating from Schenectady, was granted new frequencies and enlargement of facilities. The assumption is that General Electric was supposed to be less entangled internationally and to have a lively economic interest in executing the government's programs of "good-will" to South America. Only a few days ago, from the General Electric station, Sumner Welles joined various Brazilian dignitaries in a broadcast to Brazil which stressed the beginning of a "closer cooperation" between the United States and South America.

César Saerchinger, European director of the Columbia Broadcasting System for seven years, puts the entire problem of short-wave propaganda squarely before the nation when he asserts in his new book, "Hello, America": "Nazi propaganda goes out to the world wrapped in Beethoven, and Italy broadcasts propaganda buried in beautiful Italian opera. I think the democratic countries should make more than a half-hearted effort to counteract this by giving as complete and agreeable a picture of our civilization as we can."

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Issues and Men

BY OSWALD GARRISON VILLARD

THE news from Russia is simply appalling. That after protests from all over the world against these treason trials the largest batch of victims is now on the rack—some on charges of having conspired against Lenin twenty years ago and against the life of Maxim Gorki—*is surely proof that madness has taken* charge of the Soviets. If it is not the madness of a single man, then it can only be explained as a wave of hysteria sweeping over Moscow like that which led to the witch trials in New England. It actually looks as if Stalin were going to "liquidate" every last one of the men who made the revolution. Whether one man or a group is responsible, this strikes a deadly blow at all the progress made toward a decent life for the masses of Russia. It plays into the hands of the dictators who are openly for the destruction of the Soviets and, as I have written before, deprives Russia of the sympathy of those liberals the world over who, without being in the least committed to communism, have still felt that no more remarkable experiment in human government has been undertaken in modern times.

We knew that the plan to erect a great modern state which should place all the emphasis upon the welfare of the masses and not upon that of the rich and privileged might fail because of economic mistakes or an erroneous philosophy, but we never dreamed it would dig its own grave by exhibiting a blood lust without parallel. Even Hitler killed his largest batch of victims when he yielded one night to craven terror. In Russia they are killing men in cold blood twenty years after the overthrow of the Czar. As Maurice Hindus has well said, having reached the year of maturity the Soviet Union is going back to its revolutionary childhood. The Czar was not more ruthless. And there is no assurance that after these men have made their confessions of guilt in public and been done to death, the dance of death will not go on. Yet only a few weeks ago the special correspondents in Moscow reported that there was to be a cessation of the killing.

I hear some say who have lived long in Russia that the accused are guilty, that the Russians have behind them centuries of misrule during which every official was venal and the very highest sold out to any bidder. With Russia overrun by the agents of Japan, Germany, and Italy, is it any wonder, they ask, that many men should be corrupted? Almost every day there are accounts of spies caught in the United States and England, of men beheaded in Germany, of men and women sentenced to prison in France for treason or espionage. That is one of the inevitable evils of the militarism of which today every nation is the victim. But nauseating as that is, it is something quite different from putting men on trial for crimes which failed to take place, for conspiracies which were abortive—if they existed—twenty years ago. Moreover, the effect is cumulative. We are not getting accustomed to it; the horror grows with every new report of the crumpled bodies of men at the base of another Moscow wall. They may have sinned, but their sin is as nothing beside that of the men in the Kremlin who are destroying the faith of all those who have insisted on the right of the Russians to their own way of life and to be free from outside attacks; the Kremlin is undermining everything good the revolution sought to accomplish.

Even if these men were and are guilty, why must they die? The greatest indictment of the death sentence is its finality; it destroys what no man can replace. Other times may come in a nation's life, other moods, other thoughts. No one knows that better than the Russians. Life exile or imprisonment would not shock the world so much. To say that it would endanger the Soviets to grant life to some of the accused is preposterous; great states do not fall that way. They fall when the masses awake to the fact that justice no longer reigns among them, that murder stalks in the very halls of justice; when rulers find that to hold their places they must kill right and left. This may take long in Russia, where news is suppressed, where millions do not yet care what happens to others if only they are left alone in their fields, their workshops, their homes, but come it will. Meanwhile Russia is being truly betrayed to her enemies; Stalin is giving them aid and comfort and the expectation of early disaster. And how can loyal men in Russia make a success of their part in this mighty human experiment, if they do not know at what hour the executioner may appear?

With various others I gave my name to a telegram to the Russian ambassador in Washington asking that the latest trials be postponed until an international committee could be formed to be present at the trials and tell the world just what was taking place. I had faint hope that our request would be listened to; I know it was rejected as an unbearable foreign interference in Russian domestic affairs. Yet I could not decline to make the appeal. It seems to me that everything must be done to make responsible Russians realize something of the horror which civilized men everywhere feel as they read of what is taking place again. True, the Russian mentality is as unlike our own as is that of the Japanese. Still there must be some among them who know the dangers which confront their state—the danger of complete isolation in Europe, nearer today than at any other time since 1920. These men cannot want to forfeit the last bit of friendly liberal sentiment.

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BOOKS *and the* ARTS

JOSEPH IN THE LAND OF THE DEAD

BY PHILIP BLAIR RICE

ALTHOUGH Mann's Joseph story, of which "Joseph in Egypt"* is the third part, is still incomplete, it has an ominous air of finality. It seems both to sum up and to pass judgment upon the shining virtues of that way of thinking and feeling and living which modern Europe inherited from the earlier Mediterranean cultures and developed so magnificently. Regarded in conjunction with recent events abroad, it cannot fail to give many the feeling that this is the kind of great work which on several past occasions has written off the score of a major epoch in history.

Laden as it is with Herr Mann's assessment of our ethical, religious, and social heritage, constituting as it does a post-Wagnerian synthesis of the art forms, it is at the same time the freshest, clearest, and most straightforward of his stories. The commentary does not become a digression, as it often did in "The Magic Mountain," and the multiple symbolism carries along the story instead of absorbing it. Here, of course, the narrative interest cannot be in what happened but in how it happened. The author's chief task, then, has been to imagine characters from whom the action would issue logically. The key to the action lies in the condition of Potiphar, who is but the titular captain of Potiphar's guard, a parasitic courtier with only ceremonial duties. He is also merely an honorary male and a titular husband to Mut-em-enet, since his consecration to the service of Amen-Hotep III has involved a surgical operation in his youth.

Potiphar's sacrifice, in turn, accounts for the behavior of his wife, who, according to our author, has been maligned by her reputation as a wanton. When we first meet her she is, besides a lady of fashion and the head of Potiphar's purely ornamental harem, a moon-nun, devoted to the cult of the conservative deity Amun. When this exquisite but unawakened creature finally becomes aware of the beautiful Joseph, the result is a demoniac seizure like the passion of Hans for Clavdia and that of Aschenbach for Tadzio. Mann makes her so enthralling an embodiment of all erotic desires, and at the same time evokes so much sympathy for her as a suffering woman, that there may remain some shred of doubt as to the plausibility of Joseph's rejection of her, despite the fortitude of mind and the seven excellent reasons with which the author has endowed him.

To understand Joseph, we must place him within the larger design of the work, for all the old motifs recur with variations. When we meet him at the beginning of this part, his coat of many colors has been replaced by the faded garment of a slave. Joseph's servitude to Potiphar repeats Jacob's to Laban; at the same time the Jacob theme is broken up and inverted by duplicating his agonized yearning for Rachel in Mut's for Joseph. The father-son motif is renewed in the relation of Joseph first to the old Ishmaelite, then to Potiphar, and throughout to God. The course of Joseph's fortunes, as in the previous volume, is again an inverted V, which here assumes significance as the profile of a pyramid. Joseph rises from the pit to become steward of Potiphar's house, then declines into the dungeon. The resurrected god must be slain again. The graph of Potiphar's wife is similar. From a porcelain figurine, she becomes a woman, then degenerates into a hag, a sorceress, a mummy.

But there is an underlying linear progression which makes the inverted V into a triangle, the delta of the Nile, the divine triad of Egyptian theology, foreshadowed by the three days in the pit and consummated by the three years in prison. The base of the triangle, the ground-bass of the story's music, is the flow of measured time, the flow of the Nile, the procession of the living dead. Joseph is really in the pit all the time, a slave in the house of death. His rise is illusory. He is no part of this polyglot Egypt, which is both a symbol and a counterfeit of the human race. He walks through it in the detachment of a dream. Potiphar's wife, likewise, is never wholly alive: her body and her will are awakened, but not her spirit.

Joseph's fathers had always identified Egypt, the land of mud, with Sheol. It was for them "the seat of the worship of the past, of dalliance with death, of insensibility to sin." Although Joseph is of a more sophisticated, more tolerant generation, he finds that their repugnance, tinctured as it may have been with insularity and priggishness, is not altogether unfounded. At the very entrance to the land he is met by the frowning fortress of Thel, which defends luxurious Egypt against the poverty of the East, for to the Egyptian "misery is suspect and lack of elegance an abomination." In the pit Joseph has acquired a conscience. When he sees the coughing little people living under the lash as did their ancestors who built the pyramids, when going up the Nile he observes the nobles sitting upright and immobile on their yachts in order to impress the common people, he knows that he cannot wholly share the purposes of this land.

But Mann's delight in paradoxes, his perception of relativities, his propensity to hold everything in dialectical solution which is yet not resolution, leads him to introduce stirrings of life into the land of mud and death. There is a kind of liberal and progressive movement in Egypt, associated with the cult of the god Atum, who is wresting ascendancy even in the court from his

*"Joseph in Egypt." By Thomas Mann. Alfred A. Knopf. $5.
"Thomas Mann's Joseph Story." By Harry Slochower. Alfred A. Knopf. $1.

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established rival Amun. The Egyptian nobles are becoming international-minded; there is a rage for importing foreign wares and customs, and even for identifying foreign gods with their own in a religious universalism.

The full social and political reference of this section may not become plain until Mann has finished the tetralogy. The earlier sections depict the primitive communism of the family group. The revolt of the brothers against Jacob in their manhandling of Joseph would seem to be not only, as Mr. Slochower suggests in his useful little guidebook, a savage and proto-fascist revolt of the masses against man but also the uprising of the sons of the primeval horde against the Cyclopean father which, according to Freud, established the social compact and the first state. Mr. Slochower appears right in taking the Levantine cities passed through by Joseph and the Ishmaelites to represent early commercial civilization, and the journey through the desert to the borders of Egypt as symbolic of the Dark Ages.

The question of Mann's temporal references is rendered difficult by the fact that he is simultaneously talking about all time and a particular epoch. But there are good reasons for doubting what seems to be Mr. Slochower's view that the Egypt of this part covers the entire span from feudal Europe to fascism. The features which I have mentioned suggest to me that the present volume brings us only up to the Enlightenment and the verge of the French Revolution rather than to the twentieth century, although here, as in history itself, there are anticipations of later events. Potiphar, the personal archetype of this culture, is neither a captain of industry nor a Nazi official but a nobleman of the tottering *ancien régime* in his sterile refinement, his bored tolerance, his love of abstract justice, and his capacity to get a pleasurable shiver from reading prophecies of revolution. This interpretation would also accord better with the apparent role of Joseph in the story, as well as with Mann's artistic methods and social philosophy.

For all Joseph's unwillingness to accept anything short of the best, he has not yet reached the end of his pilgrim's progress. His stay in the pit had not altogether rid him of his arrogant pride. If he does not give in completely to Mut's fascination, he yields so far as to take pleasure in her abandonment of herself to him, and under the pretext that he can cure her passion by pedagogical measures, he gives rein to his curiosity. He displays, furthermore, a characteristic liberal fault, the "unwillingness to give up the free choice of the bad course." Joseph has not yet found his life, for he has not wholly lost it. His sympathy with others is mixed with a certain calculation, which enables him to use rather than serve them.

So Joseph must go down into the pit again. Will he emerge in the next part of the novel as "the savior of man and bringer of the new time"? It is clear that, in the person of Joseph, Mann is at last hinting at the ideal character, the god-man, the child of both nature and spirit. But there are also indications that he may not attain his apotheosis. According to the book of Genesis, Joseph's morals to the end remained spotty. He was, in a sense, the savior of the Near East, for he kept those who could pay the price from starving (as has Hitler), and he was generous to his relations (as is Mussolini). But he exacted a heavy return for his work of salvation, using his blessing to develop to a fine point the arts of monopoly and profiteering, and finally becoming, in fact, a kind of Duce to Pharaoh's Victor Emmanuel. Furthermore, he later married a daughter of the land of death. Must we be prepared for a Sophoclean irony?

Mann thus far has held his story rigidly within the framework of the Biblical narrative. It does not, then, seem likely that he is intending to depict in the fourth part of the book, as Mr. Slochower suggests, the ideal socialist commonwealth; we can expect, rather, an image of contemporary European society, with at most portents of the time to come. The moral that appears to be foreshadowed is the humanistic-religious one that man can never become God, but his salvation, in so far as he is capable of salvation, consists in his continuing to try to become like God. If so, we must read "Joseph" as a tragedy, whose purport is the inevitable failure of the ideal to achieve full realization. Great tragedy leaves us with hope; but it also gives us glimpses of the ideal good before the dénouement. Recognizing this as the possible structure of the story, we may get more from it as we read. In particular, we can grasp it as exemplifying Mann's insistence that the social revolution must seek to preserve and fulfil, as it alone can, certain precious values from the tainted past.

TWO POEMS

BY W. B. YEATS

The Old Stone Cross

A statesman is an easy man,
He tells his lies by rote;
A journalist makes up his lies
And takes you by the throat,
So stay at home and drink your beer
And let the neighbors vote,
Said the man in the golden breastplate
Under the old stone Cross.

Because this age and the next age
Engender in the ditch,
No man can know a happy man
From any passing wretch,
If Folly links with Elegance
No man knows which is which.
Said the man in the golden breastplate
Under the old stone Cross.

But actors lacking music
Do most excite my spleen,
They say it is more human
To shuffle, grunt, and groan,
Not knowing what unearthly stuff
Rounds a mighty scene.
Said the old man in the golden breastplate
Under the old stone Cross.

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To a Friend

Stretch towards the moonless midnight of the trees
As though that hand could reach to where they stand,
And they but famous old upholsteries
Delightful to the touch; tighten that hand
As though to draw them closer yet.
Rammed full
Of that most sensuous silence of the night
(For since the horizon's bought strange dogs are still)
Climb to your chamber full of books and wait,
No books upon the knee and no one there
But a great dane that cannot bay the moon
But now lies sunk in sleep.
What climbs the stair?
Nothing that common women ponder on
If you are worth my hope! Neither Content
Nor Satisfied Conscience, but that great family
Some ancient famous authors misrepresent,
The Proud Furies each with her torch on high.

BOOKS

Harriet Monroe's Seventy Years

A POET'S LIFE: SEVENTY YEARS IN A CHANGING WORLD. By Harriet Monroe. The Macmillan Company. $5.

AFTER a trip around the world in 1912 Harriet Monroe worked out a plan to subsidize a poetry magazine. She persuaded one hundred men in Chicago to subscribe fifty dollars a year for five years to finance her venture. She studied modern poetry, and when all plans were made, she wrote personally to those poets whom she wished to submit manuscripts. Thus *Poetry* was launched and American poets were given, at last, a place where their poems might be printed and paid for. The adventure was well timed. America was on the eve of its so-called renaissance. Soon innumerable other little magazines were to appear. In *Poetry* itself Ezra Pound, Vachel Lindsay, W. B. Yeats, Edwin Arlington Robinson, H. D., and many other poets were represented. And Chicago became a literary center because a woman in her middle years pushed her project through.

Born in 1860, Miss Monroe had grown up in a Victorian atmosphere. In her veins, however, was pioneer blood. She chose to become a journalist, hoping thereby to finance herself until she might become known as a poet and playwright —her two personal ambitions, never fully realized. Her only romantic, and imaginary, love had been for Robert Louis Stevenson. It was a literary affair, and his letters appear in this book. When the young girl finally met the sick man on his way to the South Seas she was shocked at his appearance. In the eighties in New York Miss Monroe had known Eugene Field and Edmund Clarence Stedman, dictator of poets. She had been given encouragement in her poetry and her playwriting. But Chicago was her home and she returned to it. She wrote the "Columbia Ode" for the World's Fair and was paid $1,000 for it. She then had to sue to have it read and sue a newspaper for violation of copyright. From the newspaper she obtained $5,000. She was, in other words, a fighter, and an adventurer too. She had traveled to the inaccessible Hopi lands and to Europe and she had met famous people everywhere. Her girlhood over, Miss Monroe was not unprepared for her task as editor of *Poetry.* Once in the editorial chair she put aside her Victorian prejudices, if she had any, and began to learn from the violent Ezra Pound and from every poet who wrote to her. She was attacked by the press and she made sane replies. Columnists, editorial writers, and poets all became outraged—it is a little difficult now to see why. William Rose Benét hated Ezra Pound; Conrad Aiken hated imagism; Lindsay's "General William Booth" caused a tempest in a teapot; and Carl Sandburg's "Chicago," a minor revolution. Every prize given by *Poetry* created an uproar, but *Poetry* and its editors were usually right. The conventional *Dial,* then published in the West, fought Miss Monroe on every issue. She fought back. And before the *Dial* moved east and honored Eliot with its prize, Miss Monroe had printed Eliot's early poetry.

The war years were difficult for *Poetry* financially, but Miss Monroe saw the magazine through them, as later she was to carry it through the still more critical days of the 1929 depression. She printed the war poets, English and American. A letter from Lindsay at this time is prophetic: "Harriet, war with Germany is only the beginning of our chance to die for the U. S. A. I see war on the world constitution when it is set up, and revolutionaries for it and revolutionaries against it, and no easy time."

In the post-war years other experimentalists than the imagists and free-verse writers for whom Miss Monroe had waged a lively fight appeared, and she gave them all room. Before she died, indeed, some of our present revolutionary poets had crept into her pages. Miss Monroe had capable assistant editors; Morton Zabel, a brilliant young critic, was the last of these. It is he who completes her book.

Poetry's editor died on one of her last adventures. She loved travel, and in the last fifteen years of her life each vacation saw her off to Mexico, to Italy, to Egypt, to China. Finally in 1936 she went to the P. E. N. International Congress at Buenos Aires and there read a lively paper. From this gay meeting she was tempted to go to the Inca ruins. She died of a stroke on the high altitudes of the Andes and she is buried there. The manuscript of her autobiography was mailed back. It breaks off in the midst of an account of the events of 1922. In one short summary chapter Miss Monroe calls herself a heathen, loving beauty and art above all else. She had found her way clear of the Puritan tradition.

If one runs through the back numbers of *Poetry,* especially the early volumes, one is astounded at the list of famous names first given a hearing in the magazine's pages. Certainly the editor selected all varieties of poets. She may have had one or two prejudices (she kept out Cummings, perhaps because of her dislike of his eccentricities), but all in all hers is a brilliant record. She strikes the one sad note when she remarks that "Ellis Park," by Helen Hoyt, and Kilmer's "Trees" "were the most widely quoted of those poems printed in the first years."

This autobiography is completely impersonal and objective. The author is interested not in her life but in poetry. Famous letters, famous editorials, memories of famous people are, for her, life itself, and she gives these to us. She could efface herself for the sake of art quite unsentimentally and sanely. *Poetry* is still being published, as she wished; George Dillon, a poet she printed when he was very young, has been appointed editor. It has survived most of the other journals dedicated to the cause of art.

EDA LOU WALTON

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The Eighth Gothic Tale

OUT OF AFRICA. By Isak Dinesen. Random House. $2.75.

BARONESS BLIXEN of Denmark, who for some reason signed her "Seven Gothic Tales" with the name Isak Dinesen, signs this new book not only with the same name but with the same style of story-telling, so that the fact of its being autobiography sets it only the slightest distance away from that outpost of fiction which its author so brilliantly holds. No one but Isak Dinesen could have written either book; could have rendered the fantasies of the "Tales" so real, or the realities of Africa so fantastic. For if her autobiography reads like fiction, the moral is not at all that it seems untrue. It is as true as its author's imagination and character; and of these, as of their unparalleled attractiveness, there can be no doubt.

The Baroness does not bother with dates, but it is clear that her residence in Kenya, twelve miles from Nairobi, began some years before the World War and ended some years after it when her coffee plantation failed. The story is chiefly of the plantation and of the natives with whose help she managed it. The landscape figures too, beautifully of course; the wild animals of Kenya are never out of sight; and two or three Englishmen, together with an old Dane named Knudsen, are interesting at the fringe; yet the heart of the book has to do with the relations between one Northern woman and perhaps a hundred Negroes of divers tribes and temperaments. Some of these are her house servants, some are coffee workers, some are vagrants, some are children, some are hunters, some are rulers of neighboring races, and some are simply old men past work or play who spend their time settling the affairs of others. To all of them the Northern woman has given her life, and since she is a woman of genius the intercourse between them is bountiful in its rewards. On her side there is understanding which expresses itself in respect, amusement, sympathy, anger, love, and a sense of continuing obligation by no means inconsistent with a willingness to wield authority. On their side there is understanding which expresses itself in respect for her even when she is incomprehensible, in love for her *because* she is incomprehensible, and in a sense of continuing obligation by no means inconsistent either with a willingness to resist her authority or with a disposition to worship her as if she were Providence.

She can refer to herself as their Providence because she has no illusions as to what this meant. It meant to them that she was not to be withstood, but it also meant that she was not to be loved and honored with logic. Their mutual understanding was in large part an agreement not to pretend to understand what in the nature of things was mysterious, namely, each other. She knew when to acknowledge their mystery, and they hers. Added to which there was of course their bottomless humor, a thing with which even white geniuses may not cope. It reached exaggerated proportions in the boy Kamante, whom the Baroness had saved from a fatal illness and who ever after lived only to serve her.

> He had a little mocking laughter, of which he made use in all circumstances, but chiefly toward any self-confidence or grandiloquence in other people. All natives have in them a strong strain of malice, a shrill delight in things going wrong, which in itself is hurting and revolting to Europeans. Kamante brought this characteristic to a rare perfection, even to a special self-irony, that made him take pleasure in his own disappointments and disasters, nearly exactly as in those of other people. She was Providence to Kamante, or a goddess, or a queen, precisely because she took risks, played with fate, gave orders, acted as if she knew what she was doing. No person in his opinion would so behave; so this must be more than a person. She had come into his world from outside, somewhat like a conqueror but somewhat also like a deity strayed from her proper home. Now that there was no help for it he took pleasure in adoring her; which suggests that any people's pantheon may be nothing but the aristocracy of its invaders deified.

Readers of "Seven Gothic Tales" will remember its author's sentiment for the antique and the aristocratic. The same bias is here, and as little now as then can be offered in criticism of it. For Baroness Blixen is really distinguished and profound; there is nothing which she does not know; and there is nothing which she cannot feel. The tragedy of her final pages is that she is leaving her life behind her; it was truly given, and it cannot be taken back. Kamante with the help of a scribe has written her since she returned to Denmark: "We think that you shall never can forget us." This is the highest of compliments, and very touching; but it is more touching that Kamante will never read the book which has been written about him and his people. If he could do so he would recognize himself, one hopes, in the paragraph which describes him as a stunted boy in the Mission hospital where the Baroness had taken him for his final cure:

> I caught sight of Kamante in the grounds, he was standing by himself at a little distance from the groups of other convalescents. By this time he was already so much better that he could run. When he saw me he came up to the fence and ran with me as long as it was following the road. He trotted along, on his side of the fence, like a foal in a paddock when you pass it on horseback, and kept his eyes on my pony, but he did not say a word. At the corner of the hospital grounds he had to stop, and when as I rode on, I looked back, I saw him standing stock still, with his head up in the air, and staring after me, in the exact manner of a foal when you ride away from it. I waved my hand to him a couple of times, the first time he did not react at all, then suddenly his arm went straight up like a pump-spear, but he did not do it more than once.

MARK VAN DOREN

Milestone on Mexico

THE EJIDO. MEXICO'S WAY OUT. By Eyler N. Simpson. University of North Carolina Press. $5.

THERE is no American scholar who is fully competent to criticize, in detail, Dr. Eyler Simpson's monumental work on agrarian Mexico. The "land question" is the fundamental problem of Mexico. Its entire history, its current politics, even its art are related intimately to the economic dislocations of the distribution and exploitation of the land.

Up to now there had been no systematic, scientific effort to describe this problem completely, in terms of all the available facts. It was "a friar's job," as they say in Spanish. Not even Mexican economists, with the added facilities of knowledge of the language and lifelong acquaintance with the human, personal reflections of the problem, had attempted what was tried—and achieved successfully—by Dr. Simpson, in some eight years of patient scrupulous investigation.

"The Ejido," 808 pages long, excluding index and bibliography, has not received the attention it deserves. If Dr. Simpson had written a popular version of it, every person who is at all interested in Mexico or in Hispanic-American

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affairs would have realized at once that "The Ejido" was required reading and indispensable reference.

To economists the most interesting parts of the book are Dr. Simpson's careful descriptions of land tenure in pre-Spanish and colonial days and of the development of property forms to date. These are illustrated by sets of charts and documented with statistical data. To other readers Dr. Simpson's conclusions would probably seem more important. His decision, on the basis of the material itself, that the land problem in Mexico can be solved only by complete socialization is remarkable coming from a man who began this work with no set social theories.

Some economists and sociologists in Mexico disagree with certain of Dr. Simpson's judgments and interpretations, as I do myself. In a work of such ambitious scope, exploring so much uncharted territory, there are bound to be sections needing further examination and later testing, possibly correction. But the information it contains and the manner in which that information is handled make this a very necessary volume to any student of Mexican affairs. It is the solid stuff that shapes Mexico's history, and is worth hundreds of ephemeral impressions.

ANITA BRENNER

The Gallant Marquis

LAFAYETTE JOINS THE AMERICAN ARMY. By Louis Gottschalk. University of Chicago Press. $3.

IN HIS first volume of the Lafayette series, published in 1935 under the title "Lafayette Comes to America," Mr. Gottschalk dealt with the youth of the gallant Marquis. It should be remembered that Lafayette arrived in our fair land, to take part in the Revolution, a few months before his twentieth birthday. In one pocket he carried an English grammar, in another a commission as major general in the Continental army. In his heart and mind there was a surging desire for fame and glory. One of the favorite Lafayette legends is that his American adventure was inspired by an ardent love for liberty and republican institutions. It is a myth; not true at all. Later in life, when he wrote his wholly unreliable memoirs, he did what he could to sustain this legend. Evidently he had become convinced himself that he had been a crusader in the cause of democracy. There is, however, no contemporaneous evidence to support his assertion.

He came here, as Gottschalk points out, for the sake of adventure. He wanted to win renown on the battlefield so that he might eventually return to France in a glowing aura of fame and accomplishment. That would make the Duc d'Ayen, his father-in-law, and other important gentlemen consider him somebody special and not just a dawdler and time-waster. The motive is quite comprehensible. Mingled with it was his inveterate, lifelong hatred of England.

With the arrival of the Marquis in America Mr. Gottschalk concluded his first book. The present volume deals with Lafayette's experiences in the American Revolution from June, 1777, to December, 1778, when he returned to France for a year. In 1779 he served as an officer in the French army, returning to America in 1780. He came back to General Washington and the struggling Revolution in 1780, and remained here until after the surrender of Cornwallis in October, 1781. There are 364 pages in this volume and 184 in the previous one, yet the second book ends when Lafayette was still under twenty-two years of age. This observation is not intended to be derogatory; I make it here simply to show the scope of the author's evident purpose.

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When his seven or eight volumes are completed I am confident that they will be considered the final word on Lafayette. Mr. Gottschalk is producing a major historical work, a notable contribution to our knowledge of the past. He is not impressed by the tinsel, confetti, and perfume of the Lafayette legend, but at the same time he should not be looked upon as a debunker with an urge to "show up" this and that. He has a passion for truth, and the present volume reveals an astounding capacity for factual research. But Mr. Gottschalk vitalizes his facts. Under his psychological treatment Lafayette ceases to be a historical dummy and becomes a human being—courageous, generous, foolish, impetuous—with a fairly large supply of both good and bad judgment.

His affection and reverence for Washington approached adoration. He called himself Washington's "adopted son." This was, of course, only a figure of speech. Lafayette was an orphan; his father was killed in battle when the Marquis was an infant. Nevertheless, and notwithstanding his love for Washington, he got himself involved—for a little while—in the conspiracy to supplant his adored chief and put General Gates in his place. The explanation is that he did not know what it was all about; he did not understand the complicated politics of the army. Besides, he had a deplorable habit of writing letters on the spur of the moment and sending them in all directions, with compliments and flowery phrases in them. So the Gates party played with his ambitions, but as soon as he learned their intentions he left them.

Jefferson, while he was in France as American minister, wrote that Lafayette had a "canine appetite for popularity." He did, indeed. He wanted to shine, to be in the sun, to sit on a horse on the skyline while bullets came zipping by.

Gottschalk shows that he was a lovable person. No other foreigner has ever made such a profound impression upon the affections of the American people, or upon American history.

W. E. WOODWARD

ART

Marin and His Oils

THIS is the year of Marin's oils. As the painter says in a delightful free-verse poem which accompanies his new pictures at An American Place, they

> "Seem to be a Coming along—
> tolerably well—tolerably well—"

Indeed they do. They come to him naturally now.

Five oils are included among the water colors and drawings on show until March 27. Of these, Breaking Wave is undoubtedly the most expert of his increasingly numerous performances in the heavier medium. It is a veritable explosion of color. A great wave, spuming and white, throws itself high against a shore. Purples burst from the sea, supported by deep blues. On the shore are solid browns and blacks. This painting has warmth, power, and spontaneity, qualities which the critics have frequently denied to his earlier oils. Another sea piece, Island, Boat, and Ledges, shows a similar increase in facility, while a third, The Dance by the Sea, marks a new level in Marin's ascent as an artist.

Its five nudes dancing by the sea are in a tempestuous movement. They rise, thrusting upward in the center; they interlock, their bodies moving toward a common axis; yet they never become rigid, because a relaxation is obtained by means of the frieze-like sea and horizontals of shore and sky behind. Hence this picture simultaneously charges, lifts, and recedes. It integrates more and heavier movements than Marin has ever managed in the past. It also demonstrates that he has mastered the dynamics of the human body as well as of nature. We may therefore expect new advances to issue from it. The fourth oil bothered the painter for many months. It shows a gay and wayward tête-à-tête on the Weehawken Ferry, with cubes of the New York sky line punctuating the shore behind. This work, while less affecting than the others, does establish a decided advance for him—namely, the ability to imbed background and figure in each other.

This new faculty has carried over into the water colors—even though they were done earlier. In each of the three gull pictures, for example, he has interlocked the birds and the background in a way that strengthens both. A greater depth has resulted—and a new substantiality. This becomes even clearer by comparing the Boat and Green Sea of the present show with any of his earlier boat pictures. They were swift and brilliant, too. But they skimmed the sea, whereas this boat cleaves it. The water is felt as much as the wind. So, also, with the shores in these new water colors: they seem to go right under the sea. This new solidity proceeds from the oils and Marin's success in building them up. For the oil medium requires kneading, piling on, modeling; it seems, indeed, to be a work of the thumb and fingers. Certainly, it is a thicker and more earthy material. And the water colors have benefited from the activity in it.

But there are two which cannot be seen in this manner. The first, entitled Low Tide, is saline, spent, cold, utterly withdrawn. It is Marin in an Arctic moment. The other, Boat and Sea, is like a bit of ethereal silver which somehow got breathed on paper. Two of the drawings, also, are inimitable. One is a Manhattan fantasy, with a dashing, peak-hatted young woman in the foreground facing a young man with a pipe. A gay horse prances in the streets behind. All the factories are talking through their smoke. This is the impish Marin, populating the city with humor. Another fine drawing is Myself in Wonder, the artist's first self-portrait. These two drawings, it should be noted, further that employment of human subject matter which has coincided with Marin's renewed attack upon the oils, beginning about five years ago. They suggest, accordingly, a new extension of his powers.

Then there are two water colors which the painter terms "stepping-stones." One of these outlines a shore in a very heavy line, almost as if his finger had traced it. Behind, at the horizon, a series of tiny grey dots race across the sky line. From these, no doubt, he will develop new and more silvery space-movements next year. The other water color, entitled Morning Light, has black-barred diagonals against a purplish sea. It is day chasing away night. In explanation, the painter has said that in the early morning hours the darkness and the light fluctuate. Weaving in and out, black shafts retreat as white ones advance. This is what he has seen and sought to realize. He has not quite captured it, but he probably will at the next encounter. Marin is not afraid to chance a failure if it will take him farther than he had gone before. This is one of his most endearing traits as a painter.

Perhaps, too, this is what guarantees his perpetual freshness. He follows the everlasting flux of things. The wind blows, the sea rocks, the boats fly; again, the city veers and turns and shakes; or human beings charge and hurl themselves together. Whatever the experience, Marin meets it without preconceptions. He even has moments of calm, when

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he appreciates the Wordsworthian solemnities of nature and astounds us with his own sense of awe before it. In short, he has resilience. So it is this year. The only difference is that the singing, wistful, humorous, sometimes passionate composer of the water colors has now been fortified by the mellow, substantial, and irrevocably anchored painter of the oils. Marin is richer than he was before; and so are we.

JEROME MELLQUIST

DRAMA

In the Grand Style

THE Lafayette Theater is located at Seventh Avenue and 131st Street. One could hardly, perhaps, go very much farther but one could easily fare a great deal worse, for there the Harlem division of the Federal Theater is offering a melodrama called "Haiti" which has charms of its own. It is a romantic affair as well as a bloody one, but it is played to the hilt—and somewhat beyond—by an obviously enraptured company whose sincerity disarms all carping criticism.

The plot is concerned with some embellishments upon the story of Jean-Christophe's rebellion at the time of Napoleon, and it is probably best not to speculate too much upon the effect it would produce if acted by an ordinary Broadway company before an ordinary audience of correct but anemic taste. Under such circumstances one would probably feel that the author had laid everything on a bit too thick, that the emotional gestures were somewhat too sweeping and the heroics almost too much in the grand style. One would not find it surprising but almost inevitable that Christophe himself should emerge through a secret panel and that the wife of one of the French colonels should turn out to be the bastard daughter of an ancient ex-slave still hovering about the house. One might even find in the general conduct of the piece a good deal that was reminiscent of the ten-twenty-and thirty as well as of its counterpart, the yellow-back. But in the present production one not only forgives all these things; one actually applauds them. They seem creditable enough and very exhilarating besides.

This happy result is doubtless due, first of all, to the wisdom of the director, who has played everything up instead of down. I do not mean that there is even a suggestion of conscious burlesque. There is no spoofing of the grand manner, and I do not think that any player condescends to his part. Neither, for that matter, do I mean that the audience needs to condescend. What I do mean is that the whole is played for what it is, and that as the result of a perfectly consistent style it becomes effective in a special way of its own. Rex Ingram, as Christophe, is gigantic and impressive in his red and gold, and he is pathetic too—as he could not be if he were not impressive first. Even the white actors seem to catch some of the native grandiloquence of the blacks, and where everything is equally gaudy nothing seems really overdone. One somehow gets to feeling that such simple and grandiose gestures, as well as such simple and grandiose language, really fit these people, and one is accordingly carried along on a pleasant wave of operatic emotion. It is all bigger than life and in some ways better too.

Certainly I found much more to admire in "Haiti" than I did in the elaborate and costly concoction called "Save Me

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the Waltz" at the Martin Beck. The latter is so obviously a musical comedy with the music left out that one never gets over waiting for the songs that do not come, and one does not have to be a great admirer of light music to feel that if that is to be dispensed with one might just as well dispense with everything else as well. Nor should the prospective spectator be deluded by the fact that the story is concerned with the adventures and misadventures of a Graustarkian imitator of Hitler and Mussolini. Surprisingly few changes have been found necessary in the standard plot and not too many in the jokes either. Jane Wyatt, back from the movies, is very agreeable to look at but she has little to do.

JOSEPH WOOD KRUTCH

FILMS

Photography by Woodard

STACY and Horace Woodard are the authors, directors, producers, and distributors of "The Adventures of Chico" (Fifty-fifth Street Playhouse), but above all they are its photographers. When Stacy Woodard completed his work on "The River" in 1936, the two of them set off for Mexico with nothing by way of equipment beyond a pair of cameras, an idea in the form of a script, and fabulous reserves of patience. Their idea was simple: to find a man and a boy in Mexico who would live before their cameras as father and son, who would enter into certain relations with certain animals, and who in collaboration with ground and sky would express their country as it had expressed itself to the brothers Woodard. The animal they were most interested in was the roadrunner bird, or paisano, which is very wild and intelligent and can kill rattlesnakes. Since their script called for a friendship between a paisano and a boy, they were obliged, once the boy was found and named Chico, to discover a paisano fledgling and put him in charge of it. They did so; Chico caught lizards and fed it in its nest; and when it was ready to leave the nest it attached itself to him, following him about and sitting in his hand or on his shoulder. The difficulty of photographing all this was great, since the paisano tolerated no other person's presence; screens and telescopic lenses had to be used, and much time needed to pass. But that was only the beginning. Not to speak of the other animals called for in the script, there was the duel between their paisano and a rattlesnake which they hoped to arrange. They arranged it; it happened; the paisano won; and Chico, sleeping by the wall of his father's hut, was "saved."

A year and a half of effort and 100,000 feet of film were spent in making a picture which one sees in an hour and which, if one is not watching closely and thinking about what is there, may seem a thing of mild and transient importance. But "The Adventures of Chico" will not be easy to forget. Barren of superfluous properties, leisurely in its pace, and bothering at no moment to disguise the fact that its activities have been arranged, it asks only that we hear what it has to say about Mexico in the language available to it; and asks with such innocence and sincerity that we can do no less than listen. The brothers Woodard are photographers with a love of their art, but in this case they have the additional merit of being in love with their subject. How they say this with cameras I do not quite understand, yet I am sure that they say it, just as I am sure that their subject is more than Mexico. It is animals and men, or more abstractly still it is life as an enterprise of which we can be most aware when we are witnessing it immediately and affectionately, without theories as to what it means or why it is going forward. The adventures of Chico and his friends take place in a remote and sunny stillness which our presence somehow does not violate, and which is not broken by the small voice of Chico as it accompanies each sequence in childish and imperfect English.

There are other animals, as I have said: two absurdly hungry coatimondi; the doe and her fawns who are saved when the father shoots the puma that is stalking the wild pigs; the armadillo with her four young; and others still. But Chico and the paisano are the heart of the picture. And the picture is somewhere near the heart, I should guess, of photography.

How lightly death is taken in "A Slight Case of Murder" (Warner Brothers) may be indicated by reporting that when the corpses of four gangsters are found in the Saratoga house of Remy Marco (Edward G. Robinson) the audience howls with delight at the things Marco and his mugs have to say about it. Marco is a bootlegger gone "legitimate," but legitimacy is for him only another racket, so that the moral tone of the entire piece is hopelessly low. Since the conception, however, is bold, and the execution both brilliant and consistent, the net result is a very funny film; certain things become laughable which have rarely or never been laughable before, and Mr. Robinson himself, freed from the necessity to sentimentalize his idiom, is able to give his surest and briskest performance to date.

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Letters to the Editors

On Determining a Fair Price

Dear Sirs: I read the editorial on the TVA in your issue of January 29 and then I read Mr. Villard's page and then I read the editorial again. To me it's idiotic. *The Nation* says that to take over the whole interconnected plant in the area is wrong. Only the best units should be taken because to take it all would be to "saddle on the public the various write-ups." This is a completely absurd argument. The prices of the common and preferred stock show what has become of the write-ups. They don't enter into the matter in any way under any of the proposed solutions. A "reproduction-cost" price ignores write-ups automatically.

The Nation says "physical and operating value" are "the only valid basis" for determining take-over price. It may be so. But what is "physical and operating value" and why is that more definite or more just to all concerned than "prudent investment" or "reproduction cost" or "a just price to be fixed by a committee of three," two of them to be government men? There's a hell of a lot of take-it-for-granted in that editorial. It's another case of the other side must be all wrong whatever it says or proposes or does. I have a lot of respect for Mr. Villard, but I haven't got the slightest interest in Commonwealth and Southern.

SAMUEL M. HYNEMAN

Nutley, N. J., March 1

[It would be better if Mr. Hyneman had at least a slight interest in Commonwealth and Southern. If he had, he might not be so willing to trust the stock values as indicators of presence or lack of write-ups. That would have been a forceful argument a decade ago; today it is naive. In 1929 Commonwealth and Southern had unloaded $918,000,000 of stock on the public. Several years later, when the Federal Trade Commission began looking into holding-company set-ups, the holding company reduced the securities to $354,000,000—a cut of over 60 per cent. But look at the commission report and you will find that there is still plenty of water in the stock. Obviously, in order to earn a "fair return" on inflated security holdings and corporate salaries, and thus maintain stock values, the holding companies have to put a crushing burden on the consumer. They got away with it—whatever Mr. Willkie, Mr. Villard, and Mr. Hyneman may say—until the TVA began making power available to the local communities in the South. Then they grew panicky. For out of the TVA "yardstick" experience has grown a movement among municipalities in Tennessee and neighboring states to buy TVA power and distribute it to consumers themselves. Municipalities like Memphis and Chattanooga have been asking their local companies to sell their physical plants at a fair value to be determined by the Federal Power Commission, in order to avoid competition and duplicating plants. We consider this movement healthy. All the state supreme courts in the area and the United States Supreme Court have held it to be legal. It is in line with the best American tradition, which has always regarded the generation of electricity as a local public function and looked upon franchises to private companies as recallable grants of privilege.

If Mr. Hyneman will reread our editorial, he will find that we do not recommend the government taking over "only the best units" of the utility system. When we spoke of "the physical and operating value" of the companies as being the best basis, we meant that urban systems should be bought as functioning units, without paying for "intangibles" and without bailing out the water-logged holding-company securities. If such a plan involves hardship to the companies, then let the communities in the TVA area—not the federal government—buy out the utilities as a whole and parcel out their properties among themselves.—EDITORS THE NATION.]

Social Credit Not Fascist

Dear Sirs: In the February 12 issue of *The Nation* the Social Credit government of Alberta is indiscriminately lumped with the fascism of Quebec and Ontario. The leading exponents of the Douglas ideas are curtly dismissed as fanatic and dictatorial. What, may I ask, has become of the dispassionate inquiry, the intellectual hospitality, the discipline of temperate utterance that have made *The Nation* justly famous?

Social Credit is a democratic creed, quite independent of both fascism and communism. That Aberhart, who does not understand the technical bases of the policy he is attempting to inaugurate, should dally with censorship, is foolhardy and deplorable.

Social Credit is entirely compatible with the American Bill of Rights, and none of its leading advocates believe that it has anything to hope from dictatorship. The so-called democracies are now under a dictatorship of finance, at whose command millions are denied life's barest necessities. This dictatorship Social Credit is fighting. I respectfully suggest that you launch an inquiry to determine the extent of responsibility of monopoly finance for the present chaotic condition of the Western world.

NICHOLAS LENTZ

New Albin, Iowa, March 1

Browder and Marx

Dear Sirs: It is bad enough when others do it, but it is shocking when so able a scholar as Reinhold Niebuhr starts quoting from the Marxian scriptures to show that somebody has profaned the original gospel. Dr. Niebuhr certainly knows that every Marxian sect everlastingly quotes and counter-quotes from Marx, Engels, and Lenin to prove all other sects faithless; and that such logic never succeeds for the obvious reason that Marxism, above all political doctrines of history, is understandable only in the context of its method and system as a whole. Yet Dr. Niebuhr would have us believe in his review of "The Peoples' Front" that Earl Browder has become a revisionist of Marxism because passages from Lenin can be cited which advocate illegal tactics, atheism, dictatorship, and other policies which the Communist Party now soft-pedals.

If Mr. Browder explicitly contended that the present temperate program of his party were all that communism ever means, then I should agree that he woefully misrepresents Marxism. And no doubt "The People's Front" gives such an impression too often. Dr. Niebuhr is equally misleading, however, when he implies that Lenin stood exclusively for extreme revolutionary tactics. As a matter of fact, a basic principle of Marxian theory is that the specific way we apply the class struggle depends entirely upon the kind of social situation we confront. Sometimes the situation calls for revolutionary, even illegal methods such as

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Lenin advocated as against Kautsky's; sometimes it calls for parliamentary cooperation such as Lenin advocated against "left communism, an infantile disorder." It is often said that Lenin has been the greatest Marxist since Marx: certainly he is in recognizing that the means to be utilized in achieving the end of a classless society are as multiple as the events of history itself. The most recent biography of Marx, by Nicolaievsky and Maenchen-Helfen, shows again how Marx himself was always ready to compromise on a specific issue, just as Communist parties today compromise with bourgeois democracies whenever such tactics seemed most likely to work. Thus entirely aside from the question of how right Mr. Browder's program may be in effectiveness, it certainly is not wrong in Marxian theory.

THEODORE BRAMELD

Jamaica, N. Y., March 3

Union-made Lisle Hosiery

Dear Sirs: Lisle hose are now being manufactured by some of the best union concerns, notably Best Made, Gotham, McCallum, and Phoenix. By asking for lisle stockings by name, or insisting upon the union label, consumers will promote the interests of the members of the American Federation of Hosiery Workers.

Since it is conceded that machines up to 42 gauge may be used in the manufacture of lisle hose and since some of the best union concerns are now making them, it seems to be up to the social-minded consumer to buy lisle hose intelligently and protect union workers.

AGNES NEWBORG

New York, March 2

A "Radical" Catholic Magazine

Dear Sirs: Several weeks ago I read with pleasure the article you carried by that fine young Catholic woman, Mary M.

Then I found somewhere an advertisement by a little Catholic magazine. "Radical"? it said, "you don't know what radical means until you've read the *Christian Front!*" So I set out to learn. I sent for a copy. This is what it contains: (1) a diatribe against Marxism; (2) a perfectly decent appeal to the nations of the earth to drop their individualistic nationalism; (3) a recognition that the economic order is unchristian, coupled with the idea of cooperative banking; (4) a defense of Latin as the language of the church; (5) an article in which holding companies are justified; (6) a traveler's impressions of Europe, concluding, "I do not believe either fascism or communism has the most infinitesimal social or cultural contribution to make to the United States."

Honestly, I should like to call the bluff of that little paper. There isn't a radical line in it. Aside from the glorification of Catholicism, there isn't a thing in it that Herbert Hoover would not approve and applaud. In fact, its idea that the lowly of the earth should pool their little funds and manage some of their tiny ventures cooperatively, without disturbing in any way the present ownership of the sources of supply, is Mr. Hoover's stand to a T.

I had hoped to discover a Catholic sheet by some young Catholics, say, who had had a vital collision with the idea that all men are brothers. That idea is to be found within Catholicism. And radicalism can be fetched out of it. I wanted to see the thing done, but the *Christian Front* doesn't do it.

MARION G. LEWIS

Marshfield, Mass., February 28

Life of G. K. Chesterton

Dear Sirs: I have been asked by Mrs. Chesterton to write the life of the late G. K. Chesterton. I should therefore be very grateful if anyone who has letters from Mr. Chesterton would lend them as material for the biography. They will be copied and returned immediately.

They should be sent to Mrs. G. K. Chesterton, Top Meadow, Beaconsfield, Bucks, England. MAISE WARD

New York, March 1

Isolationism Makes for War

Dear Sirs: W. R. Hearst, Hamilton Fish, and other tory reactionaries, as well as pacifists and liberals, have become ardent supporters of the policy of isolation. It is difficult to explain this curious combination, but it obvious that lack of political realism is a distinguishing feature of some of its members. Pacifists and liberals perhaps do not realize that their isolationist stand makes it easier for Hearst et al. to sell the idea of a big navy to the American people. Once the isolationist principle is accepted, it is inevitable that Americans should fall for a big-navy program in order to preserve and defend such isolation. This makes eventually for war instead of peace.

Once before pacifists showed a lack of political vision—when they did not foresee the application of our present "unneutral" neutrality law, which they helped to enact, against the legitimate government of Spain.

The Nation's stand for collective security, its brilliant editorials, and Louis Fisher's timely analysis of America's role in world affairs deserve the commendation of everyone who is concerned with the preservation of peace.

HERMAN GOLD

Chester, Pa., March 2

CONTRIBUTORS

ROBERT DELL is the Manchester *Guardian's* correspondent in Geneva. His long experience and wide knowledge of European affairs make his comment at this critical period doubly valuable.

SUMNER H. SLICHTER is professor of business economics in the Harvard University Graduate School of Business Administration.

KARL VAN GELDERLAND is the pseudonym of an exiled German journalist.

PHILIP BLAIR RICE regularly reviews poetry for *The Nation.*

W. B. YEATS is the noted Irish poet. He has set forth the principles from which much of his work in prose and poetry derives its inspiration in his book "A Vision."

EDA LOU WALTON, poet and critic, is associate professor of English at Washington Square College, New York University.

ANITA BRENNER is the author of "Idols Behind Altars" and "Your Mexican Holiday."

W. E. WOODWARD is at work on a life of Lafayette.

JEROME MELLQUIST was formerly art editor of the Brooklyn *Daily Eagle.*

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